



12/16/2015

KATHY A. RUBASZKO
THE HANOVER INSURANCE GROUP
WORCESTER MA OFFICE
MAIL STOP S316

RE: CERTIFIED COPY OF THE POLICY

TO: WHOM IT MAY CONCERN

I am authorized by Citizens/Hanover Insurance Company to certify the attached copy as a true and correct copy of the company's record on the policy.

Policy Number: ZZ6 A783040 00

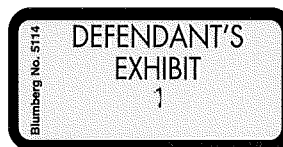
Policy Issued To: NATURAL BLEND VEGETABLE DRHYDR

Date Span: 11/15/2015-11/15/2016

Please contact certreqwor@hanover.com with any questions.

Sincerely,

Robin Menezes
Commercial Lines



440 Lincoln Street ■ Worcester, MA 01653 Phone | 508 - 853 - 7200 Fax | 508 - 853 - 6332
The Hanover Insurance Company | Citizens Insurance Company of America

www.Hanover.com



ZZ6 A783040 00

Hanover American Insurance Company, 440 Lincoln Street, Worcester MA 01605
Commercial Line Policy
Common Declarations

AE

Policy Number	Policy Period		Coverage is Provided in the:	Agency Code
	From	To		
ZZ6 A783040 00	11/15/2015	11/15/2016	Hanover American Insurance Company	1901946

Named Insured and Address :

Agent :

NATURAL BLEND VEGETABLE DRHYDR C/O STACY HAM 963 HWY 258 SOUTH SNOW HILL NC 28580	SIA GROUP SEASHORE INS & ASSOC T/A 827 GUM BRANCH ROAD JACKSONVILLE NC 28540
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Branch : The Carolinas

Policy Period : From 11/15/2015 To 11/15/2016

12:01 A.M. Standard Time at Your Mailing Address Shown Above.

Business Description: Vegetable Dehydration

Legal Entity: Limited Liability Corporation

In Consideration of the premium, insurance is provided the Named Insured with respect to those premises described in the attached schedule(s) for which a specific limit of insurance is shown. This is subject to all terms of this policy including Common Policy Conditions. Coverage Parts, Forms and Endorsements may be subject to adjustment and/or a policy minimum premium.

Commercial Property Coverage	\$16,809.00
Commercial General Liability Coverage	\$16,147.00
Commercial Inland Marine Coverage	\$329.00
Commercial Crime Coverage	Not Covered
Commercial Auto Coverage	\$295.00
Total Surcharges Premium	N/A
Additional Premium For Policy Minimum	N/A
** Total	\$33,580.00

**INCLUDES PREMIUM, IF ANY, FOR TERRORISM; REFER TO DISCLOSURE NOTICE

Countersigned _____ By _____

10 Pay - 20% Down

Group Number ZKQ



NATURAL BLEND VEGETABLE
DRHYDR

ZZ6 A783040 00

SIA GROUP

Locations of All Premises You Own, Rent or Occupy

Location: 1

8966 West Marlboro Rd.
Farmville NC
27828

Forms Applicable to all Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
401-1127	01/15	Notice - Acceptance Of Terrorism Coverage and Disclosure Of Premium
401-1269	12/12	North Carolina - Notice to Policy Holders
401-1374	01/15	Offer Disclosure Pursuant To Terrorism Risk Insurance Act
IL 00 03	09/08	Calculation of Premium
IL 00 17	11/98	Common Policy Conditions
IL 00 21	09/08	Nuclear Energy Liability Exclusion Endorsement
IL 00 22	05/87	Effective Time Changes - Replacement of 12 Noon
IL 02 69	09/08	North Carolina Changes - Cancellation and Nonrenewal
IL 09 35	07/02	Exclusion of Certain Computer-Related Losses
IL 09 52	01/15	Cap On Losses From Certified Acts of Terrorism
SIG 11 00	08/14	Signature Page



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ZZ6 A783040 00

SIA GROUP

Commercial Property Coverage Part Declaration

Total Property Premium

\$16,809.00

Coverages Provided:

Insurance at the Described Premises applies only for the coverage shown below:

LOC **BLDG**

1 1

Occupancy: Food Products Mfg. - Fish oils mfg., fruits processing, nut

Territory: 740

Construction: Masonry Noncombustible

Protection Class: 5

LOC **BLDG**

1 1

Coverage:

Building

Cause of Loss:

Special

Premiums:

\$7,197.00

Limit Of Insurance:

\$9,725,000.00

Replacement Cost

Coinurance:

100%

LOC **BLDG**

1 1

Coverage:

Contents Excluding Stock

Cause of Loss:

Special

Premiums:

\$15.00

Limit Of Insurance:

\$10,000.00

Replacement Cost

Coinurance

100%

LOC **BLDG**

1 1

Coverage:

Stock

Cause of Loss:

Special

Premiums:

\$2,160.00

Limit Of Insurance:

\$1,500,000.00

Replacement Cost

Coinurance

100%

LOC **BLDG** **DED BY**
LOC

1 1

APPLICABLE DEDUCTIBLE

Windstorm/Hail Deductible

\$10,000.00



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DRHYDR

ZZ6 A783040 00

SIA GROUP

Commercial Property Coverage Part Declaration

Theft Deductible: \$10,000.00
Other Deductible: \$10,000.00
Named Storm % Ded: Not Applicable

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	1	32.b.2. TANK,BIN&SILO,non-combust liq/solid Above Ground,steel or masonry/steel w/steel support	Special	\$1,516.00
		Limit Of Insurance:	\$1,330,000.00	
		Replacement Cost		
		Coinsurance	100%	
		Windstorm/Hail Deductible	\$10,000.00	
		Theft Deductible:	\$10,000.00	
		Other Deductible:	\$10,000.00	\$10,000.00
		Named Storm % Ded:		

<u>LOC</u>	<u>BLDG</u>	<u>Coverage:</u>	<u>Cause of Loss:</u>	<u>Premiums:</u>
1	1	Business Income	Special	\$4,402.00
		Limit Of Insurance:	\$1,330,000.00	
		Extended Period of Indemnity	60 Days Included	
		Business Income Time Deductible	72 Hours	
		Monthly Limit of Indemnity	1/3	

<u>LOC</u>	<u>BLDG</u>	<u>DED BY LOC</u>	<u>APPLICABLE DEDUCTIBLE</u>	
1	1		Windstorm/Hail Deductible	\$10,000.00
			Theft Deductible:	\$10,000.00
			Other Deductible:	\$10,000.00
			Named Storm % Ded:	Not Applicable

Additional Premium for Property Minimum :

N/A



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Commercial Property Coverage Part Declaration

Miscellaneous/Optional Property Coverages:

PREMIUM

Data Breach	\$55.00
Boiler / Machinery / Equipment Breakdown	\$1,070.00
Terrorism Premium	\$126.00
Silver Property Broadening Endorsement	\$268.00



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Forms Applicable to Property Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
411-0508	05/00	Flood Insurance Notice - North Carolina
411-0650	06/09	Manufacturing Advantage Property Broadening Endorsement
411-0669	12/09	Data Breach Coverage Form
411-0679	04/10	Associates And Family Members Additional Coverage Endorsement
411-0681	12/09	Identity Theft Resolution Services
411-0792	04/14	Silver Property Broadening Endorsement
451-0038	11/04	Equipment Breakdown Coverage
CP 00 10	10/12	Building and Personal Property Coverage Form
CP 00 30	10/12	Business Income (And Extra Expense) Coverage Form
CP 00 90	07/88	Commercial Property Conditions
CP 01 18	02/14	North Carolina Changes
CP 01 40	07/06	Exclusion of Loss Due to Virus or Bacteria
CP 04 11	10/12	Protective Safeguards
CP 10 30	10/12	Cause of Loss - Special Form



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Commercial General Liability Coverage Part Declaration

Audit Frequency: Annual

Limits of Insurance:

General Aggregate Limit	\$2,000,000
Products-Completed Operations Aggregate Limit	\$2,000,000
Each Occurrence Limit	\$1,000,000
Personal and Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You Limit	\$100,000
Medical Expense Limit, Any One Person	\$5,000
General Liability Deductible:	
Total Advance Commercial General Liability Premium	\$16,147.00

THIS POLICY CONTAINS AGGREGATE LIMITS; REFER TO SECTION III - LIMITS OF INSURANCE FOR DETAILS

Forms Applicable to General Liability Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
401-1324	05/14	Advisory Notice to Policyholder
401-1325	05/14	Advisory Notice to Policyholder
421-0022	12/90	Asbestos Liability Exclusion
421-0486	06/08	Employment Practices Liability Insurance Coverage Endorsement: North Carolina
421-0513	06/08	Commercial Employment Practices Liability Insurance Coverage Endorsement Supplemental Declarations
421-2915	12/14	Commercial General Liability Broadening Endorsement
421-2916	12/14	Commercial General Liability Enhancement Endorsement
CG 00 01	04/13	Commercial General Liability Coverage Form - Occurrence
CG 04 35	12/07	Employee Benefits Liability Coverage
CG 20 10	04/13	Additional Insured - Owners, Lessees Or Contractors - Scheduled Person or Organization
CG 21 47	12/07	Employment - Related Practices Exclusion
CG 21 49	09/99	Total Pollution Exclusion Endorsement
CG 21 67	12/04	Fungi or Bacteria Exclusion
CG 21 70	01/15	Cap On Losses From Certified Acts of Terrorism
CG 21 76	01/15	Exclusion of Punitive Damages Related To A Certified Act Of Terrorism
CG 21 96	03/05	Silica or Silica-Related Dust Exclusion



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Commercial General Liability Classification Schedule Declaration

<u>LOC</u>	<u>ST</u>	<u>TERR</u>	<u>CODE</u>	<u>SUBLINE</u>	<u>PREMIUM BASIS</u>	<u>PER</u>	<u>RATE</u>	<u>ADVANCE PREMIUM</u>
					\$20,000,000 Receipts			
1	NC	002	53374	334	(Sales)	1,000	.085	\$1,700.00
1	NC	002	53374	336	\$20,000,000 Receipts (Sales)	1,000	.625	\$12,500.00

Food Products Mfg. dry

Miscellaneous/Optional General Liability Coverages

Advance Premium

Employment Practices Liability (Retro Date) 11/15/2015	\$1,175.00
Employee Benefits Coverage	\$291.00
Terrorism Premium	\$55.00
CGL Enhancement	\$426.00

Additional Premium for Coverage Minimum: N/A

Total Advance General Liability Premium \$16,147.00

Subline	334	Premises and Operations
Subline	336	Products and/or Completed Operations



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SIA GROUP

General Liability of Additional Interest

Location: 1

Owners Lessees Or Contr CG2010

Carolina Agra Business LLC
Fein 562278114
963 Hwy 258 South
Snow Hill NC 28580
Building Owner



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SIA GROUP

Business Auto Coverage Declaration

This Policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "Autos" shown as a covered "Autos". "Autos" are shown as covered "Autos" for a particular coverage by the entry of one or more of the symbols from the Covered Auto section of the Business Auto Coverage form next to the name of the coverage.

<u>Coverages</u>	<u>Covered Auto</u> Entry of one or more of the symbols from the Covered Autos Section of the Business Auto Coverage Form shows which Autos are covered Autos)	<u>Limit-</u> The most we will pay for any one accident or loss	<u>Premium</u>
Liability	8,9	\$1,000,000	\$295.00

Schedule of Hired or Borrowed Covered Auto Coverage and Premium Liability Coverage - Rating Basis, Cost of Hire

<u>State</u>	<u>Estimated Cost of Hire</u> If Any	<u>Rate for Each \$100 Cost of Hire</u> Include	<u>Factor</u> N/A	<u>Premium</u> \$147.00
NC				

Cost of Hire means the total amount you incur for the Hire of "Autos" you don't own (not including "Autos" you borrow or rent from your partners, your employees, or their family members). Cost of Hire does not include charges for services performed by motor carriers of property or passengers.

Schedule for Non-Ownership Liability

<u>Named Insured's Business</u>	<u>Rating Basis</u> # of Employees	<u>Number of Employees</u> 25	<u>Premium</u> \$148.00
Other Than A Social Service Agency			

Additional For Commercial Auto Minimum

N/A

Estimated Total Premium

\$295.00



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ZZ6 A783040 00

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Forms Applicable to Business Auto Coverage Parts:

<u>Form Number</u>	<u>Edition Date</u>	<u>Description</u>
CA 00 01	03/06	Business Auto Coverage Form
CA 01 26	03/01	North Carolina Changes



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Inland Marine Declaration

Total Inland Marine Premium

\$329.00

Coverages Provided:

Insurance at the Described Premises applies only for the coverage shown below:

Additional Premium for Inland Marine Minimum:

N/A

Miscellaneous/Optional Inland Marine Coverages:

PREMIUM

Contractors' Equipment Coverage

\$318.00

Terrorism Premium

\$11.00



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ZZ6 A783040 00

SIA GROUP



Customer Notice of Privacy Policy and Producer Compensation Practices Disclosures

Privacy Policy Disclosure

Collection of Information

We collect personal information so that we may offer quality products and services. This information may include, but is not limited to, name, address, Social Security number, and consumer reports from consumer reporting agencies in connection with your application for insurance or any renewal of insurance. For example, we may access driving records, insurance scores or health information. Our information sources will differ depending on your state and/or the product or service we are providing to you. This information may be collected directly from you and/or from affiliated companies, non-affiliated third parties, consumer reporting agencies, medical providers and third parties such as the Medical Information Bureau.

We, and the third parties we partner with, may track some of the web pages you visit through cookies, pixel tagging or other technologies. We currently do not process or comply with any web browser's "do not track" signals or similar mechanisms that request us to take steps to disable online tracking. For additional information regarding online privacy, please see our online privacy statement, located at www.hanover.com.

Disclosure of Information

We may disclose non-public, personal information you provide, as required to conduct our business and as permitted or required by law. We may share information with our insurance company affiliates or with third parties that assist us in processing and servicing your account. We also may share your information with regulatory or law enforcement agencies, reinsurers and others, as permitted or required by law.

Our insurance companies may share information with their affiliates, but will not share information with non-affiliated third parties who would use the information to market products or services to you.

Our standards for disclosure apply to all of our current and former customers.

Safeguards to Protect Your Personal Information

We recognize the need to prevent unauthorized access to the information we collect, including information held in an electronic format on our computer systems. We maintain physical, electronic and procedural safeguards intended to protect the confidentiality and integrity of all non-public, personal information, including but not limited to social security numbers, driver's license numbers and other personally identifiable information.

Internal Access to Information

Access to personal, non-public information is limited to those people who need the information to provide our customers with products or services. These people are expected to protect this information from inappropriate access, disclosure and modification.

Consumer Reports

In some cases, we may obtain a consumer report in connection with an application for insurance. Depending on the type of policy, a consumer report may include information about you or your business, such as:

- character, general reputation, personal characteristics, mode of living;
- credit history, driving record (including records of any operators who will be insured under the policy); and/or
- an appraisal of your dwelling or place of business that may include photos and comments on its general condition.

Access to Information

Upon written request, we will inform you if we have ordered an investigative consumer report. You have the right to make a written request within a reasonable period for information concerning the nature and scope of the report and to be interviewed as part of its preparation. You may obtain a copy of the report from the reporting agency and, under certain circumstances, you may be entitled to a copy at no cost.

You also may review certain information we have about you or your business in our files. To review information we maintain in our files about you or your business, please write to us, providing your complete name, address and policy number(s), and indicating specifically what you would like to see. If you request actual copies of your file, there may be a nominal charge.

We will tell you to whom we have disclosed the information within the two years prior to your request. If there is not a record indicating that the information was provided to another party, we will tell you to whom such information is normally disclosed.



There is information that we cannot share with you. This may include information collected in order to evaluate a claim under an insurance policy, when the possibility of a lawsuit exists. It may also include medical information that we would have to forward to a licensed medical doctor of your choosing so that it may be properly explained.

Correction of Information

If after reviewing your file you believe information is incorrect, please write to the consumer reporting agency or to us, whichever is applicable, explaining your position. The information in question will be investigated. If appropriate, corrections will be made to your file and the parties to whom the incorrect information was disclosed, if any, will be notified. However, if the investigation substantiates the information in the file, you will be notified of the reasons why the file will not be changed. If you are not satisfied with the evaluation, you have the right to place a statement in the file explaining why you believe the information is incorrect. We also will send a copy of your statement to the parties, if any, to whom we previously disclosed the information and include it in any future disclosures.

Our Commitment to Privacy

In the insurance and financial services business, lasting relationships are built upon mutual respect and trust. With that in mind, we will periodically review and revise our privacy policy and procedures to ensure that we remain compliant with all state and federal requirements. If any provision of our privacy policy is found to be non-compliant, then that provision will be modified to reflect the appropriate state or federal requirement. If any modifications are made, all remaining provisions of this privacy policy will remain in effect. For more detailed information about our customer privacy policy (including any applicable state-specific policies) and our online privacy statement, visit our Web site, located at www.hanover.com.

Further Information

If you have questions about our customer privacy policy (including any applicable state-specific policies) or our online privacy statement, or if you would like to request information we have on file, please write to us at our Privacy Office, N435, The Hanover Insurance Group, Inc., 440 Lincoln Street, Worcester, MA 01653. Please provide your complete name, address and policy number(s). A copy of our Producer Compensation Disclosure is also available upon written request addressed to the attention of the Corporate Secretary, N435, The Hanover Insurance Group, 440 Lincoln Street, Worcester, MA 01653.

Producer Compensation Disclosure

Our products are sold through independent agents and brokers, often referred to as "Producers." We may pay Producers a fixed commission for placing and renewing business with our company. We may also pay additional commission and other forms of compensation and incentives to Producers who place and maintain their business with us. Details of our Producer compensation practices may be found at www.hanover.com.

This notice is being provided on behalf of the following Hanover Companies: The Hanover Insurance Group, Inc. - Allmerica Financial Alliance Insurance Company - Allmerica Financial Benefit Insurance Company - Allmerica Plus Insurance Agency, Inc. - Citizens Insurance Company of America - Citizens Insurance Company of Illinois - Citizens Insurance Company of the Midwest - Citizens Insurance Company of Ohio - Citizens Management, Inc. - AIX Ins. Services of California, Inc.- Campania Insurance Agency Co. Inc.- Campmed Casualty & Indemnity Co. Inc. - Chaucer Syndicates Limited- Educators Insurance Agency, Inc.- Hanover Specialty Insurance Brokers, Inc. - The Hanover American Insurance Company - The Hanover Insurance Company - The Hanover New Jersey Insurance Company - The Hanover National Insurance Company - Hanover Lloyd's Insurance Company - Massachusetts Bay Insurance Company - Opus Investment Management, Inc. - Professionals Direct Insurance Services, Inc. -Professional Underwriters Agency, Inc.- Verlan Fire Insurance Company - Nova Casualty Company - AIX Specialty Insurance Company.

COMMERCIAL PROPERTY
411-0567 07 06

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) shall prevail.

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsement, which applies to your new or renewal policy being issued by us:

Exclusion Of Loss Due To Virus Or Bacteria Endorsement CP 01 40 07 06

This endorsement makes an explicit statement regarding a risk that is not covered under your Commercial Property insurance. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your Commercial Property insurance, including (if any) property damage and business income coverages.

THIS NOTICE IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT, AS AMENDED. THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THIS POLICY. IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE POLICY, THE PROVISIONS OF THE POLICY SHALL APPLY.

NOTICE – ACCEPTANCE OF TERRORISM COVERAGE AND DISCLOSURE OF PREMIUM

Schedule

Disclosure of Premium:	
Total Terrorism Premium	\$ 192
Fire Following Premium	\$ 76
Other than Fire Following Premium	\$ 116

Coverage for “acts of terrorism,” as defined in Section 102(1) of the Terrorism Risk Insurance Act (“Act”) is included in your policy. You are hereby notified that under the Act, as amended in 2015, the definition of “act of terrorism” is:

Any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States' government by coercion.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020.

Cap on Insurer Participation in Payment of Terrorism Losses

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers' liability for losses resulting from certified acts of terrorism. If the aggregate of insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

INTERLINE
BUSINESSOWNERS
INLAND MARINE
COMMERCIAL PROPERTY
CRIME
COMMERCIAL OUTPUT POLICY

NORTH CAROLINA ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the Policy (including its endorsements), **the provisions of the policy (including its endorsements) shall prevail.**

Carefully read your policy, including the endorsements attached to your policy.

THE FOLLOWING WARNING IS PROVIDED IN ACCORDANCE WITH NORTH CAROLINA LAW.

WARNING: THIS PROPERTY INSURANCE POLICY MAY NOT PROTECT YOU AGAINST LOSSES FROM FLOODS, MUDSLIDES OR MUDFLOWS.

WARNING: THIS PROPERTY INSURANCE POLICY MAY NOT PROTECT YOU AGAINST LOSSES FROM EARTHQUAKES OR LANDSLIDES.

WARNING: THIS PROPERTY INSURANCE POLICY MAY NOT PROTECT YOU AGAINST LOSSES FROM WINDSTORM AND HAIL.

YOU SHOULD CONTACT YOUR INSURANCE COMPANY OR AGENT TO DISCUSS YOUR OPTIONS FOR OBTAINING COVERAGE FOR THESE LOSSES. THIS IS NOT A COMPLETE LISTING OF ALL OF THE CAUSES OF LOSSES NOT COVERED UNDER YOUR POLICY. YOU SHOULD READ YOUR ENTIRE POLICY TO UNDERSTAND WHAT IS COVERED AND WHAT IS NOT COVERED.

THIS NOTICE IS PROVIDED IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS NOTICE DOES NOT GRANT COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF COVERAGE UNDER THE POLICY. IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE POLICY, THE PROVISIONS OF THE POLICY SHALL APPLY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Schedule

Disclosure of Premium:	
Total Terrorism Premium	\$ 192
Fire Following Premium	\$ 76
Other than Fire Following Premium	\$ 116

Disclosure of Terrorism Coverage Available

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from "acts of terrorism" defined in Section 102(1) of the Act as follows:

Any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

The premium charged for this coverage is provided in the Schedule above and does not include any charges for the portion of loss that may be covered by the Federal Government as described below.

Your policy may contain other exclusions which could affect your coverage, such as an exclusion for Nuclear Events or Pollution. **Please read your policy carefully.**

Note for Commercial Property or Commercial Inland Marine Policyholders in Standard Fire States:

In your state, a terrorism exclusion makes an exception for (and therefore provides coverage for) fire losses resulting from an act of terrorism. If you reject the offer of terrorism coverage, therefore, that rejection does not apply to fire losses resulting from an act of terrorism. Coverage for such fire losses will be provided in your policy. The additional premium just for such fire coverage is shown in the Schedule above.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020.

Cap on Insurer Participation in Payment of Terrorism Losses

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers' liability for losses resulting from certified acts of terrorism. If the aggregate of insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Rejection of Terrorism Insurance Coverage

☐ I decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Applicant/Policyholder Signature

Print Name

Date

Hanover American Insurance Company

Insurance Company

ZZ6 A783040 00

Quote or Policy Number

IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

- A. Under any Liability Coverage, to "bodily injury" or "property damage":**
- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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(5-87)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EFFECTIVE TIME CHANGES - REPLACEMENT OF 12 NOON

This endorsement modifies the COMMON POLICY DECLARATIONS.

To the extent that coverage in this policy replaces coverage in other policies terminating noon standard time on the inception date of this policy, coverage under this policy shall not become effective until such other coverage has terminated.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NORTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph 2. of the **Cancellation Common Policy Condition is replaced by the following:**

2. Cancellation Requirements

a. Policies In Effect Less Than 60 Days

If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

b. Policies In Effect More Than 60 Days

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy prior to the:

- (1) Expiration of the policy term; or
- (2) Anniversary date,
stated in the policy only for one or more of the following reasons:
 - (a) Nonpayment of premium;

- (b) An act or omission by the insured or his or her representative that constitutes material misrepresentation or nondisclosure of a material fact in obtaining this policy, continuing this policy or presenting a claim under this policy;
- (c) Increased hazard or material change in the risk assumed that could not have been reasonably contemplated by the parties at the time of assumption of the risk;
- (d) Substantial breach of contractual duties, conditions or warranties that materially affects the insurability of the risk;
- (e) A fraudulent act against us by the insured or his or her representative that materially affects the insurability of the risk;
- (f) Willful failure by the insured or his or her representative to institute reasonable loss control measures that materially affect the insurability of the risk after written notice by us;

- (g) Loss of facultative reinsurance, or loss of or substantial changes in applicable reinsurance as provided in G.S. 58-41-30;
- (h) Conviction of the insured of a crime arising out of acts that materially affect the insurability of the risk;
- (i) A determination by the Commissioner of Insurance that the continuation of the policy would place us in violation of the laws of North Carolina; or
- (j) You fail to meet the requirements contained in our corporate charter, articles of incorporation or by-laws when we are a company organized for the sole purpose of providing members of an organization with insurance coverage in North Carolina.

We will mail or deliver written notice of cancellation to the first Named Insured at least:

- (i) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (ii) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. Cancellation for nonpayment of premium will not become effective if you pay the premium amount due before the effective date of cancellation.
 - d. We may also cancel this policy for any reason not stated above provided we obtain your prior written consent.

B. The following provisions are added and supersede any other provisions to the contrary:

1. Nonrenewal

- a. If we elect not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of nonrenewal at least 45 days prior to the:
 - (1) Expiration of the policy if this policy has been written for one year or less; or
 - (2) Anniversary date of the policy if this policy has been written for more than one year or for an indefinite term.
 - b. We need not mail or deliver the notice of nonrenewal if you have:
 - (1) Insured property covered under this policy, under any other insurance policy;
 - (2) Accepted replacement coverage; or
 - (3) Requested or agreed to nonrenewal of this policy.
 - c. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 2.** The written notice of cancellation or nonrenewal will:
- a. Be mailed or delivered to the first Named Insured and any designated mortgagee or loss payee at their addresses shown in the policy, or if not indicated in the policy, at their last known addresses; and
 - b. State the reason or reasons for cancellation or nonrenewal.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1)** Computer hardware, including microprocessors;
 - (2)** Computer application software;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system; or
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

In Witness Whereof, this company has caused this policy to be signed by its President and Secretary and countersigned on the declarations page, where required, by a duly authorized agent of the company.



Frederick H. Eppinger
President



Charles Frederick Cronin
Secretary

FLOOD INSURANCE NOTICE - NORTH CAROLINA

WARNING: Damage to property from FLOOD is not covered by this policy.

The North Carolina Department of Insurance has requested the North Carolina Insurance Underwriting Association, the North Carolina Joint Underwriting Association and all property and casualty companies to advise their policyholders that Dimension 2000 + Policies, Commercial Package Policies and Commercial Fire Policies do not provide coverage for floods. You will **not** have coverage for property damage from floods unless you take steps to purchase a separate policy of flood insurance.

This Notice does not expand or increase coverage in any Dimension 2000 +, Commercial Package or Commercial Fire policy or endorsement. These policies remain subject to all exclusions, limitations and conditions.

If you would like more information about obtaining flood insurance, please contact your agent at the phone number shown on your Declarations Page. If you have questions regarding this notice or need information necessary to contact your agent, please call our direct customer service number at 1-800-992-8427. Please provide the customer service representative with your policy number so they can quickly assist you.

You may also contact the National Flood Insurance Program (NFIP) by calling their direct toll free number. That number is 1-800-427-4661. The TDD# is 1-800-427-5593. The TDD # (or TTY) is for Text Telephone systems only.

If you have an INTERNET connection, the National Flood Insurance Program (NFIP) has a web site that may answer your questions online. The web site may be found at [HTTP://WWW.FEMA.GOV/NFIP/](http://WWW.FEMA.GOV/NFIP/) or linked through [HTTP://WWW.FEMA.GOV](http://WWW.FEMA.GOV). The NFIP is part of the Federal Emergency Management Agency (FEMA).

MANUFACTURING ADVANTAGE PROPERTY BROADENING ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM – CP 00 10
CAUSES OF LOSS – SPECIAL FORM – CP 10 30
BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM - CP 00 30

Under **SECTION C. LIMITS OF INSURANCE** of CP0010, the following is added:

The limits applicable to the Coverages included in this endorsement may either be in addition to or included within the applicable Limits of Insurance. For application of the limits, refer to each coverage within this endorsement.

Refer to **SECTION IV – DEFINITIONS** of this endorsement for additional words or phrases which appear in quotation marks that have special meaning.

I. COVERAGES

PERSONAL PROPERTY OF OTHERS INCLUDED

Under this endorsement, Section **A.1. Covered Property** of CP0010, **c. Personal Property of Others** is deleted as item **c.** and included as item **8)** under **b. Your Business Personal Property**.

A. SCHEDULED COVERAGES

These coverages amend the insurance provided under the Building and Personal Property Coverage Form, Causes of Loss – Special Form and Business Income (and Extra Expense) Coverage Form through new coverages and substitute coverage grants. Unless otherwise noted, each Limit of Insurance shown applies separately and only to each described location as shown in the Declarations. These coverages are subject to the provisions applicable to the Building and Personal Property Coverage Form, Causes of Loss – Special Form, or Business Income and Extra Expense Coverage Form unless specifically provided for and amended within this endorsement. If any of the property insured under this endorsement is also insured under any other provisions of the policy of which this endorsement is made a part, or if more than one coverage under this endorsement applies to a specific type of property or covered loss situation, in the event of loss or damage, you may choose only one of the potentially applicable coverages to apply to that loss. The most we will pay in this case is the limit of liability applying to the coverage you select.

	<u>Limit of Insurance</u>	<u>Page</u>
1. Additional Covered Property and Increased Limits of Liability	Included	3
2. Arson and Theft Reward	\$30,000	4
3. Backup or Overflow of Sewers, Drains or Sumps	\$100,000	4
4. Brands and Labels	Included	4
5. Change in Temperature, Electrical Injury and Contamination by Refrigerant	\$50,000	5
6. Civil Authority	4 Weeks	5
7. Consequential Loss to Stock	Included	5
8. Contract Cancellation	\$100,000	6
9. Contractual Penalties	\$50,000	6
10. Debris Removal	\$25,000	6
11. Deferred Payment	\$25,000	7
12. Dependent Properties Business Income US and Canada	\$250,000	7
All Other	\$100,000	7
13. Detached Trailers	\$25,000	8
14. Employee Dishonesty Including ERISA Compliance	\$50,000	8
15. Employees' Tools and Work Clothing	\$10,000	10
16. Extended Coverage on Property within 1,000 feet	Included	10
17. Extended Warranty Coverage	\$50,000	10
18. Fire Protection Equipment Recharge	Included	11
19. Forgery or Alteration	\$25,000	11
20. Foundations and Underground Pipes	Included	11
21. Inflation Guard- Building	Included	11
22. Lost Key	\$15,000	11
23. Marring and Scratching	Included	12

	<u>Limit of Insurance</u>	<u>Page</u>
24. Molds, Dies, Patterns and Plates	Included	12
25. Money and Securities	\$25,000	12
26. Money Orders and Counterfeit Currency	\$25,000	13
27. Newly Acquired or Constructed Property		
Buildings	\$2,000,000	13
Business Personal Property	\$1,000,000	14
28. Newly Acquired Locations- Business Income	\$250,000	14
29. Ordinance or Law	\$50,000	14
30. Personal Property in Transit	\$75,000	16
31. Pollution Clean Up and Removal	\$50,000	16
32. Preservation of Property	Included	17
33. Property Off Premises	\$100,000	17
34. Prototypes	Included	17
35. Salespersons Samples	\$25,000	17
36. Seasonal Increase- Business Personal Property	Included	18
37. Tenant Glass	\$25,000	18
38. Theft Damage to Building	Included	18
39. Underground Water Seepage	\$50,000	19
40. Unintentional Property Reporting Errors	\$500,000	19
41. Utility Services- Direct Damage	\$50,000	20
Utility Services- Business Income	\$50,000	20
42. Water Damage, Other Liquids, Powder or Molten Material Damage	\$25,000	21
43. Worldwide Property Off-Premises	\$50,000	21

B. COVERAGES PROVIDED UNDER A BLANKET LIMIT OF INSURANCE \$250,000 21

Unless otherwise noted, the Blanket Limit of Insurance shown above applies as a combined single limit of liability to all Coverages shown in **SECTION III. B.** of this Endorsement. The Blanket Limit of Insurance applies separately and only to each described location as shown in the **Declarations**. After loss, you may elect to apportion this Blanket Limit of Insurance to one or any combination of the Coverages shown, but under no circumstances will the aggregate apportionment or amount payable be permitted to exceed the Blanket Limit of Insurance shown above at any one insured location.

Coverages Included within the Blanket Limit of Insurance:

1. Accounts Receivable	21
2. Business Income, Extended Business Income and Extra Expense - (no deductible applies)	22
3. Claim Expenses	24
4. Electronic Data Processing Equipment - Special Coverage	24
5. Fine Arts	25
6. Fire Department Service Charge	25
7. Movement of Property	26
8. Outdoor Property	26
9. Personal Effects and Property of Others	27
10. Research and Development Documentation	27
11. Research and Development Expenses	28
12. Research and Development Operations – Extra Expense	28
13. Valuable Papers and Records	28

Business Income and Extra Expense – Special Provisions

When all or part of the Blanket Limit above is used to address covered Business Income and Extra Expense loss, the following additional provisions apply.

While insurance provided within the Blanket Limit of Insurance may be the only Business Income and Extra Expense coverage provided by the policy, additional Business Income and Extra Expense insurance and limits may also exist elsewhere as part of other policy provisions. When such additional limits exist, the insurance provided for Business Income and Extra Expense by this endorsement is intended to be primary to the extent you desire them to address covered loss.

When additional limits exist elsewhere and all or part of the Blanket Limit above is consumed by covered Business Income and Extra Expense loss, those additional limits found elsewhere may be used to satisfy the excess Business Income and Extra Expense loss under the terms of the coverage provisions applicable to such additional limits. Coinsurance or other specific provisions applying to such insurance provided elsewhere remain enforceable for that portion of your loss. However, when determining the

amount of insurance carried for coinsurance purposes, the amount paid under the Blanket Limit above specifically for Business Income and Extra Expense shall be, for your benefit, added to the applicable limits of the Business Income and Extra Expense insurance provided elsewhere.

Example #1 – Business Income and Extra Expense Loss in excess of collectible amount under the Blanket Limit of Insurance provided above when additional limits exist elsewhere.

The policy includes this endorsement and a CP 00 30 – Business Income (and Extra Expense) Coverage Form. The Declarations show the Limit of Insurance provided under the CP 00 30 totals \$175,000, and that it carries a 90% Coinsurance requirement and a deductible of \$500. Investigation after the loss confirms that provisions **D.a.** and **D.b.** of CP 00 30 (representing the amount of insurance that you need to carry to equal 100% of your business income and extra expense exposure) totals \$425,000.

The adjusted covered loss is determined to be as follows:

Valuable Papers and Records - \$25,000
Business Income and Extra Expense - \$300,000

Loss Calculation:

<u>This Endorsement:</u>	Blanket Limit of Liability:	\$250,000
	Less: Valuable Papers & Records Loss	<u>- 25,000</u>
	Remaining Available Blanket Limit of Liability	\$225,000
	Net Business Income & Extra Expense Loss Payable	\$225,000
	Gross Valuable Papers & Records Loss Payable	\$25,000
	Less Deductible	<u>- 500</u>
	Net Valuable Papers & Records Loss Payable	<u>\$ 24,500</u>
	Total Amount Due this Endorsement	\$249,500

CP 00 30: The unaccounted for (and unpaid) remainder of the Loss of Income and Extra Expense Loss = \$75,000 (gross loss \$300,000 less \$225,000 payment from this endorsement as shown above). Therefore, the net potential business income and extra expense payment under the CP 00 30 totals \$75,000.

Since the CP 00 30 includes a coinsurance clause, to determine the actual amount payable under the CP 00 30, the adequacy of the total amount of business income and extra expense insurance carried must be determined. In this example, we add the amount of insurance carried under the CP 00 30 (\$175,000) to the amount of the business income and extra expense actually paid under this endorsement (\$225,000). Thus, the amount of Business Income and Extra Expense Insurance carried under the policy for this "occurrence" totals \$400,000.

Since the amount of insurance carried (\$400,000) exceeds the amount you were required to carry (\$425,000 X 90% or \$382,500), the coinsurance requirement has been satisfied and the remaining \$75,000 business income and extra expense loss is payable under the CP 00 30. Please refer to the provisions and examples as provided within the CP 00 30 as this is only one example - different situations will have different results. All other provisions of the CP 00 30 remain controlling and unaffected by the above.

C. Broadened Valuation Clause- Determining the Value of Covered Property

28 - 31

II. DEDUCTIBLE

We will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the amount of the deductible shown in the **Declarations**. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance for all coverages listed under **SECTION I - COVERAGES**. A single deductible applies regardless of the number of coverages or insured locations involved in an "occurrence". No deductible applies to the Blanket Coverage for Business Income and Extra Expense or other coverages where specifically designated.

III. COVERED PROPERTY

A. SCHEDULED COVERAGES

1. Additional Covered Property and Increased Limits of Liability

The special limits section 3. under C. **Limitations** of the CP 10 30 is deleted and replaced by the following:

The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one "occurrence" of "theft", regardless of the types or number of articles that are lost or damaged in that "occurrence". The special limits are:

- a. \$2,500 for furs, fur garments and garments trimmed with fur.
- b. \$2,500 for jewelry, watches, watch movements, jewels and pearls. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c. \$35,000 for precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals.
- d. \$50,000 for patterns, dies, molds and forms owned by others. This special limit does not apply to those patterns, dies, molds and forms owned by you or for which you are responsible under written contract existing before loss.
- e. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation does not apply to Business Income coverage or to Extra Expense coverage.

All other provisions of C. **Limitations** of CP 10 30 remain unchanged.

2. Arson and Theft Reward

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

g. Arson and Theft Reward

- 1) In the event that a covered fire loss was the result of an act of arson, or you suffered a covered "theft" loss, we will reimburse you up to \$30,000 for rewards you pay for information leading to

convictions for that act of arson or "theft".

- 2) The Deductible and Coinsurance Condition do not apply to this Additional Coverage. This coverage is an additional amount of insurance.

3. Backup or Overflow of Sewers, Drains or Sumps

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

h. Backup or Overflow of Sewers Drains or Sumps

- 1) We will pay for direct physical loss or damage to Covered Property at an insured location, caused by or resulting from water, which backs up or overflows from a sewer, drain or sump.
- 2) Under **Section B.1. Exclusions** of CP 10 30, exclusion **g.(3)** is deleted.
- 3) Regardless of the number of insured locations, the most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at insured locations is \$100,000, or the amount shown in the Additional Property Coverage Schedule. This coverage is not an additional amount of insurance.
- 4) For the purposes of this policy, the term water shall mean water, including waterborne substances or materials.

THIS IS NOT FLOOD INSURANCE OR PROTECTION FROM AN INUNDATION OF SURFACE WATER, HOWEVER CAUSED.

This coverage is intended to provide insurance for backup or overflow of sewers, drains or sumps when such event is a localized incident - not part of a general, widespread flood water event. When otherwise excluded loss by water as provided for within CP 10 30, Exclusion **1.g. Water** accompanies Backup or Overflow of Sewer, Drains or Sumps, this Additional Coverage does not apply and the provisions of Exclusion **1.g. Water** control, and no coverage is provided for any part of the loss.

4. Brands and Labels

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

g. Brands and Labels

If Covered Property that has a brand or label is damaged by a Covered Cause of Loss, and we elect to take all or any part of the property at an agreed or appraised value, you may elect to extend the insurance that applies to Your Business Personal Property to pay expenses incurred to:

- 1) Stamp salvage on the property or its container, if the stamp will not physically damage the property; or
- 2) Remove the brand or label, if doing so will not physically damage the property or its containers, and re-label the property or its containers to comply with the law.

Under all circumstances, we retain the option of paying the full value of the damaged property as set forth within the policy, and taking the property for salvage purposes. This applies whether or not you alter the brand or label as prescribed above.

Payment of these expenses is included within the applicable Limit of Insurance.

5. Change in Temperature, Electrical Injury and Contamination By Refrigerant

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

i. Change in Temperature, Electrical Injury and Contamination By Refrigerant

1) Coverages

a) Change in Temperature

We will pay for damage to covered property caused by a change in temperature or humidity resulting from a mechanical breakdown or malfunction of heating, refrigerating, cooling or humidity control equipment at an insured location.

b) Electrical Injury

We will pay for damage to covered property caused by artificially generated electric

current, other than electrical arcing, which damages, destroys or otherwise disturbs electrical devices, appliances or wires.

c) Contamination By Refrigerant

We will pay for contamination by refrigerant from refrigerating, cooling or humidity control apparatus or equipment.

- d)** These Additional Coverages are not subject to the terms of Exclusions **B.2.a** and **2.d.6)** and **2.d.7)a)** and **b)** of CP 10 30 to the extent that such exclusions would conflict with the provisions of these Additional Coverages.

- 2)** The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at an insured location is \$50,000. This limit will apply to all loss or damage proximately caused by the same event, whether such loss or damage results from change in temperature, electrical injury or contamination by refrigerant or any combination of the three.

Payment under this Additional Coverage is included within the applicable Limit of Insurance.

6. Civil Authority

Under **Section A.5. Additional Coverages** of CP 00 30, **a. Civil Authority** is replaced with the following:

a. Civil Authority

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to a direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to four consecutive weeks after coverage begins.

The coverage for Extra Expense will begin immediately after the time of that action and will end the earlier of:

- 1) 4 consecutive weeks after the time of that action; or
- 2) When your Business Income coverage as provided above, ends.

This is additional insurance.

7. Consequential Loss to Stock

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

h. Consequential Loss to Stock

- 1) You may extend the insurance that applies to Your Business Personal Property to apply to the reduction in value of the remaining parts of "stock" that are physically undamaged but are unmarketable as a complete product because of direct physical loss or damage from a Covered Cause of Loss to other parts of covered "stock" at an insured location.
- 2) Should it be determined that such "stock" retains only a salvage value, we retain the option of paying the full value of the "stock" as agreed within this policy, and taking the damaged property for salvage purposes.
- 3) Payment under this Coverage Extension is included within the applicable Limit of Insurance.

8. Contract Cancellation

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

ee. Contract Cancellation

- 1) We will pay for the loss of business income you sustain during the first 12 months after the period of Restoration due to the cancellation of a contract by your customers but only if the reason for the cancellation is caused by or resulting from direct physical loss or damage to the premises by a Covered Cause of Loss during the policy period.
- 2) We will not pay for:
 - a) A contract cancelled after the period of restoration;

b) A contract cancelled, suspended or allowed to lapse by you;

c) Any other consequential loss.

3) The most we will pay in any one occurrence for all contracts cancelled is the lesser of:

a) The anticipated amount of income you would have received from the customer under the cancelled contract for 12 months immediately following the period of restoration in accordance with the terms and conditions of the contract; or

b) \$100,000.

4) All payments cease upon the date the current contract would have expired, regardless of any options for renewal, if the loss or damage had not taken place.

5) The expiration of this policy will not shorten the duration of this coverage if the loss occurred during the policy period.

6) The number of your customers canceling a contract due to a loss at a scheduled location will not increase the limit of insurance provided by this additional coverage.

7) This is an additional amount of insurance.

9. Contractual Penalties

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

i. Contractual Penalties

If this policy covers "Business Income", you may extend that insurance to apply to penalties that are imposed by a written contract between you and your customers.

1) These penalties must result solely from your failure to timely deliver your product according to contract terms;

2) Such failure must result solely from the direct physical loss or damage by a Covered Cause of Loss to Covered Property; and

3) Such penalties must have been paid to your customer in "money".

- 4) The written contract must be in effect prior to the date of the loss.

The most we will pay under this Coverage Extension is \$50,000 per "occurrence". This Extension is an additional amount of insurance.

10. Debris Removal

Under **Section A.4. Additional Coverages** of CP 00 10, **a. Debris Removal**, paragraphs 4) and 5) are replaced by the following and paragraphs 6) and 7) are added:

- 4) We will pay for debris removal expense, for each location, in any one "occurrence" of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if 4)a) and/or 4)b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

5) Examples

The following examples assume that there is no coinsurance penalty.

Example #1

Limit of Insurance	\$200,000
Amount of Deductible	\$500
Amount of Loss	\$125,000
Amount of Loss Payable	\$124,500
	(\$125,000 - \$500)
Debris Removal Expense	\$25,000
Debris Removal Expense Payable	\$25,000
	(\$25,000 is 20% of \$125,000)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$124,500 + \$25,000 = \$149,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph 3).

Example #2

Limit of Insurance	\$200,000
Amount of Deductible	\$500
Amount of Loss	\$180,000
Amount of Loss Payable	\$179,500
	(\$180,000 - \$500)
Debris Removal Expense	\$50,000
Debris Removal Expense Payable	
	Basic Amount \$20,500
	Additional Amount \$25,000

The basic amount payable for debris removal expense under the terms of Paragraph 3) is calculated as follows: \$180,000 (\$179,500 + \$500) x .25 = \$45,000; capped at \$20,500. The cap applies because the sum of the loss payable (\$179,500) and basic amount payable for debris removal expense (\$20,500) cannot exceed the Limit of Insurance (\$200,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph 4), because the debris removal expense (\$50,000) exceeds 25% of the loss payable plus the deductible (\$50,000 is 28% of \$180,000), and because the sum of the loss payable and debris removal expense (\$179,500 + \$50,000 = \$229,500) would exceed the Limit of Insurance (\$200,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under paragraph 4). Thus the total payable for debris removal expense in this example is \$45,500; \$4,500 of the debris removal expense is not covered.

- 6) We will also pay up to \$1,000 for the costs you incur at each premises to remove debris of outdoor trees, shrubs or plants that are blown onto your premises by wind.

- 7) The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at an insured location is \$25,000, or the amount shown in the Additional Property Coverage Schedule. This is additional insurance.

11. Deferred Payment

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

j. Deferred Payment

- 1) We will pay for your interest in lost or damaged Personal Property sold by you under a written lease, installment sale, deferred payment or conditional sales contract. The loss or damage must be caused by a Covered Cause of loss and occur after delivery of the property to the buyer.
- 2) The most we will pay under this Additional Coverage is the least of:
 - a) The total amount of unpaid installments with respect to property described in paragraph 1) above;
 - b) The extent of your interest in leased property;
 - c) The actual cash value of the property at the time loss or damage occurs;
 - d) The cost to repair the property with material of like kind and quality; or
 - e) \$25,000.
- 3) This additional coverage does not apply to loss due to theft or conversion after the buyer has taken possession of the property.

12. Dependent Properties Business Income

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

k. Dependent Properties Business Income

- 1) We will pay the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "dependent property period of restoration". The "suspension" must be caused by direct physical loss of or damage to "dependent property" caused by or resulting from a Covered Cause of Loss.
- 2) We will pay the actual and necessary "Extra Expense" you incur due to direct physical loss of or damage to "dependent

property" caused by or resulting from any Covered Cause of Loss.

- 3) Except as provided otherwise, to calculate recoverable loss under this coverage, we will use the terms and provisions as set forth under the Business Income and Extra Expense coverage found elsewhere in this endorsement.

- 4) Under this Additional Coverage, the definition of "Extra Expense" is replaced with the following:

"Extra Expense" means necessary expenses you incur during the "dependent property period of restoration" that you would not have incurred if there had been no direct physical loss or damage to the premises of any "dependent property" caused by or resulting from a Covered Cause of Loss:

- a) To avoid or minimize the "suspension" of business and to continue "operations"; or
 - b) To minimize the "suspension" of business if you cannot continue "operations".
- 5) The Coverage Territory for "dependent property" under this Additional Coverage is expanded to all parts of the world. However, the Coverage Territory does not include any nation, state or territory from which importing products into the United States, or its territories, is prohibited by any Federal statute or regulation or agency of the Federal Government.
 - 6) We will reduce the amount of your "business income" loss, other than "extra expense", to the extent you can resume "operations" in whole or in part by using any other available:
 - a) Source of materials; or
 - b) Outlet for your products.
 - 7) Regardless of the number of "dependent properties" affected by an occurrence or the number of insured locations involved:
 - a) \$250,000 is the most we will pay under this Additional Coverage for loss you sustain from loss of or damage to "dependent property" within the United States, its

territories or Canada due to one occurrence;

- b) \$100,000 is the most we will pay under this Additional Coverage for loss you sustain from loss of or damage to "dependent property" anywhere in the coverage territory other than as described in paragraph (a) above.
- c) As part of your Duties In the Event of Loss or Damage, you are responsible to research, assess, present and document your claim for any loss presented under this "dependent property" coverage. As part of your documentation, you must include reliable data that permits us to verify your claim.

13. Detached Trailers

Under **Section A.5. Coverage Extensions** of CP 00 10, section **f. Non-Owned Detached Trailers**, paragraph (3) is replaced by the following:

- 3) The most we will pay for loss or damage under this Coverage Extension after an "occurrence" is \$25,000, unless a higher limit is shown in the Declarations.

Payment under this Coverage Extension is included within the applicable Limit of Insurance.

14. Employee Dishonesty including ERISA Compliance

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

I. Employee Dishonesty including ERISA Compliance

- 1) We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons (except you or your partners) with the manifest intent to:
 - a) Cause you to sustain loss or damage; and also
 - b) Obtain financial benefit for:

- (1) Any "employee"; or

- (2) Any other person or organization intended by the "employee" to receive that benefit.

- 2) With respect to this Additional Coverage only, **Exclusion B.2.h.** under CP 10 30 does not apply. The following exclusions are added for this Additional Coverage:

We will not pay for loss or damage:

- a) Resulting from any dishonest or criminal act committed by you or your partners, or any of your "employees" (except as provided for in paragraph 1) above, managers, directors, trustees, officers, administrators or persons of similar nature or responsibilities, whether acting alone or in collusion with any other persons.

- b) Where the only proof of which as to its existence or amount is:

- (1) An inventory computation; or
- (2) A profit and loss computation.

- c) Involving the loss of salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other "employee" benefits or remuneration that is typically earned in the course of employment. This exclusion applies whether or not:

- (1) You offer the type of benefit dishonestly acquired to any of your "employees", or
- (2) The dishonest "employee" himself ordinarily qualifies for the type of benefit illicitly obtained.

For this exclusion to apply, the undue benefit must have been procured from funds or accounts specifically set aside for salary or other remuneration (such as a payroll account).

- d) Involving unresolved business dealings or disputes where employee dishonesty is alleged but not proven. For claims of this nature it may be necessary for us to await the outcome of legal proceedings between the parties to ascertain whether or not a valid claim exists.
 - e) Sustained by uninsured third party entities even when your "employee" is providing services to the third party – whether or not for a fee.
 - f) From consequential loss or damage, including but not limited to loss of income, loss of market or extra expense.
- 3) All loss or damage:
- a) Caused by one or more persons; or
 - b) Involving a single act or series of related acts;
- is considered one "occurrence" even when such acts occur at different times, through different schemes, and/or with different customers or other third parties.
- 4) We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
- 5) This Additional Coverage does not apply to any "employee" immediately upon discovery by:
- a) You; or
 - b) Any of your partners, officers or directors not in collusion with the "employee"; of any dishonest act committed by that "employee" before or after being hired by you.
- 6) We will pay only for covered loss or damage discovered and reported to us no later than one year from the end of the Policy Period.
- 7) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that Insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
- a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - b) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- 8) The insurance under paragraph 7) above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
- a) This Additional Coverage as of its effective date; or
 - b) The prior insurance had it remained in effect.
- 9) You may extend this coverage to apply to loss caused by any "employee" while temporarily outside the Coverage Territory for a period of not more than 90 days.
- 10) The most we will pay for loss or damage in any one "occurrence" is \$50,000. The amount payable under this Additional Coverage is additional insurance.
- 11) Welfare and Pension Plan ERISA Compliance. In compliance with certain provisions of the Employee Retirement Income Security Act of 1974 (ERISA):
- a) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for the Employee Dishonesty coverage that is sufficient to provide an amount of insurance for each Plan that is at least equal to that required if each Plan were separately insured.

b) If the Insured first named in the Declarations is an entity other than a Plan, any payment we make to that insured for loss sustained by any Plan will be held by the Insured for the use and benefit of the Plan(s) sustaining loss.

c) If two or more Plans are insured under this insurance, any payment we make for loss:

(1) Sustained by two or more Plans; or

(2) Of commingled funds or other property of two or more Plans

that arises out of one "occurrence" because of dishonest acts of "employees", is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.

d) The Deductible Condition, **SECTION II** of this endorsement, does not apply to loss sustained by any Plan subject to ERISA, which is insured under this insurance.

15. Employees' Tools and Work Clothing

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

m. Employees' Tools and Work Clothing

1) We will pay for direct physical loss of or damage to tools and work clothing of your "employees" when damaged by a Covered Cause of Loss while such tools and work clothing are located at an insured location, your job sites or while "in transit" to and from your job sites, while in your vehicle.

2) The most we will pay for loss or damage under this Additional Coverage is \$10,000 per "occurrence", but not more than \$500 for any one tool or item of clothing. The amount payable under this Additional Coverage is additional insurance.

3) The Coinsurance condition does not apply to this Additional Coverage.

16. Extended Coverage on Property – within 1000 ft.

Under the **Building and Personal Property Coverage Form, CP 00 10** and **Causes of Loss – Special Form, CP 10 30** all provisions that limit the location of property to "within 100 feet" of an insured location are extended to "within 1000 feet" of an insured location.

17. Extended Warranty Coverage

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

n. Extended Warranty Coverage

1) If a covered cause of loss results in a direct total physical loss to property covered under this policy, at a premises shown in the Declarations, we will pay the unused pro-rata portion of the non-refundable purchase price for extended warranties or service contracts which you purchased on such damaged property.

2) The most we will pay for loss or damage in any one "occurrence" under this Additional Coverage is \$50,000.

18. Fire Protection Equipment Recharge

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

o. Fire Protection Equipment Recharge

We will pay expenses you incur to recharge or refill your fire protection equipment due to the leakage or discharge:

- 1) To prevent or control loss;
- 2) Accidentally; or
- 3) As a result of malfunction of the equipment.

The Deductible does not apply to this Additional Coverage. Payment under this Additional Coverage is included within the applicable Limit of Insurance.

19. Forgery and Alteration

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

p. Forgery and Alteration

- 1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money" that you or your agent has issued, or that was issued by someone who impersonates you or your agent.
- 2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- 3) The most we will pay for any loss, including legal expenses, under this Additional Coverage is \$25,000 per "occurrence". The amount payable under this Additional Coverage is additional insurance.

20. Foundations and Underground Pipes

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

j. Foundations and Underground Pipes

You may extend the insurance that applies to Building to apply to loss or damage to:

- 1) Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - a) The lowest basement floor; or
 - b) The surface of the ground, if there is no basement;
- 2) Underground pipes, flues and drains; and
- 3) The cost of excavating, grading, backfilling or filling,

when such loss or damage is caused by a Covered Cause of Loss.

The most we will pay for loss under this Coverage Extension is the applicable building Limit of Insurance.

Payment under this Coverage Extension is included within the applicable Limit of Insurance.

Under **Section A.2. Property Not Covered** of CP 00 10, paragraphs **f.**, **g.**, and **m.** do not apply to this coverage.

21. Inflation Guard – Building

Under **Section C. Limits of Insurance** under CP 00 10, the following is added:

Inflation Guard – Building

- 1) The Limit of Insurance for Building will automatically increase by 5% annually or by the percentage shown in the Declarations.
- 2) The amount of increase will be:
 - a) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times:
 - b) The percentage of annual increase expressed as a decimal (example 5% is .05), times:
 - c) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example:

Applicable Limit of Insurance	\$100,000
Annual Percentage Increase	5%
# of days since last change	146
Amount of increase	\$ 2,000
$\$100,000 \times .05 \times 146/365 = \$2,000$	

22. Lost Key

Under **Section A.4. Additional Coverages**, of CP 00 10, the following is added:

q. Lost Key

- 1) We will pay for consequential loss to keys and locks if a master key or similar item of an electronic nature is lost or damaged as a result of a covered cause of loss.
- 2) When caused by a loss event as described above, we will pay for the actual cost to replace keys, adjust or reset locks to accept new keys, and if required, new locks, including the cost of installation.

- 3) The most we will pay for lost keys, required adjustment or resetting and locking devices including installation is \$5,000 for any one "occurrence" and \$15,000 in any one policy year per insured location. This coverage is additional insurance.
- 4) **Exclusion B.2.h and Limitation C.1.e.** of the **Causes of Loss Form CP 10 30** do not apply to this additional coverage.

23. Marring and Scratching

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

k. Marring and Scratching

- 1) You may extend the insurance that applies to Your Business Personal Property to apply to damage caused directly by sudden and accidental marring and scratching of:
 - a) Your "stock";
 - b) Your printing plates; and
 - c) Property of others that is in your care, custody or control.
- 2) This coverage and Cause of Loss does not apply to:
 - a) Property at other than at an insured location;
 - b) Property in transit and
 - c) Molds, dies, patterns or plates.

Payment under this Coverage Extension is included with Your Business Personal Property Limit of Insurance.

24. Molds, Dies, Patterns and Plates

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

o. Molds, Dies, Patterns and Plates

You may extend the insurance that applies to Your Business Personal Property to apply to damage caused directly by accidental marring or scratching of:

- 1) Your molds, dies, patterns or plates while at the described premises;
- 2) Your molds, dies, patterns or plates while at the premises of

another who uses them to provide products or services to you;

- 3) Molds, dies, patterns or plates of others while in your care, custody or control; or
- 4) Your molds, dies, patterns or plates, or the molds, dies, patterns or plates of others if in your care custody or control, during transit.

Payment under this Coverage Extension is included with Your Business Personal Property Limit of Insurance.

25. Money & Securities

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

r. Money & Securities

- 1) We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any "employee" having use and custody of the property, at an insured location, or "in transit" between any of these places, resulting directly from:
 - a) "Theft"
 - b) Disappearance; or
 - c) Destruction.
- 2) The most we will pay for loss in any one "occurrence" is \$25,000. The amount payable under this Additional Coverage is additional insurance.
- 3) All loss:
 - a) Caused by one or more persons; or
 - b) Involving a single act or series of related acts,

is considered one "occurrence" regardless of the number of insured locations involved.
- 4) You must keep records of all "money" and "securities" so we can verify the amount of loss or damage.
- 5) We will not pay for loss:
 - a) Resulting from accounting or arithmetical errors or omissions;

- b) Due to the giving or surrendering of property in any exchange or purchase; or
- c) Of property contained in any "money"-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

26. Money Orders and Counterfeit Currency

Under **Section A.4. Additional Coverages**, of CP 00 10, the following is added:

s. Money Orders and Counterfeit Currency

- 1) We will pay for your loss that directly results from you accepting the following, in good faith, in exchange for merchandise, money or services:
 - a) Money orders, including counterfeit money orders, purporting to have been issued by any United States or Canadian post office, express company or national, state or Canadian chartered bank, not paid upon presentation; or
 - b) Counterfeit United States or Canadian paper currency.
- 2) The most we will pay for loss, damage or expense in any one occurrence under this Additional Coverage, regardless of the number of items contributing to the loss, is \$25,000.

27. Newly-Acquired or -Constructed Property

Under **Section A.5. Coverage Extensions** of CP 00 10, **a. Newly-Acquired or -Constructed Property** is replaced by the following:

1) Buildings

If this policy covers Buildings, you may extend this insurance to apply to:

- a) Your new buildings while being built at an insured location; and
- b) Buildings you acquire at locations, other than at an insured location, intended for:
 - (1) Similar use as the building described in the

Declarations; or

- (2) Use as a warehouse.

- c) The most we will pay for loss or damage under this Coverage Extension is \$2,000,000 per "occurrence". This Coverage Extension provides an additional amount of insurance

2) Your Business Personal Property

- a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (1) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

- (2) Business personal property, including such property that you newly acquire, located at your newly-constructed or -acquired buildings at the location described in the Declarations; or

- (3) Business personal property that you newly acquire, located at an insured location.

- b) The most we will pay for loss or damage under this Extension is \$1,000,000 per occurrence at each insured location. This Coverage Extension provides an additional amount of insurance.

- c) This extension does not apply to:

- (1) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

- (2) Personal property of others that is temporarily in your possession in the course of your manufacturing, warehousing, trucking or wholesaling activities.

- d) This insurance may not be used to otherwise increase your Business Personal Property Limit. In particular, it does not apply to personal property you acquire as part of your usual and customary business dealings whether or not such acquisition was related to anticipated seasonality demands. Under the terms of this policy,

such property is not considered newly acquired, but falls within the provisions for Business Personal Property.

3) Period of Coverage

With respect to insurance on or at each newly-acquired or -constructed property, coverage will end when any of the following first occurs:

- a) This policy expires;
 - b) 180 days pass after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
 - c) You report values to us.
- 4) We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

28. Newly-Acquired Locations – Business Income and Extra Expense

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

I. Newly-Acquired Locations – Business Income and Extra Expense

- 1) You may extend the terms of this policy's insurance covering "business income" and "extra expense" (not including Extended Business Income) to apply to property at any location you acquire, other than at fairs or exhibitions.
- 2) The most we will pay for loss under this Coverage Extension is \$250,000 per "occurrence" at each location regardless of the number of buildings you acquire. This Coverage Extension provides an additional amount of insurance.
- 3) With respect to insurance on or at each newly-acquired location, coverage will end when any of the following first occurs:
 - a) This policy expires;
 - b) 180 days pass after you acquire the property; or
 - c) You report values to us.
- 4) We will charge you additional premium for values reported from

the date you acquire the property.

- 5) We will use the terms and provisions as set forth under the Business Income and Extra Expense coverage found elsewhere in this endorsement to calculate recoverable loss under this coverage. However, this coverage does not include loss for Extended Business Income as set forth therein.

29. Ordinance or Law Coverage

Under **Section A.4. Additional Coverage** of CP 00 10, **e. Increased Cost of Construction** is replaced by the following:

e. Ordinance or Law Coverage

- 1) This Additional Coverage applies only if the following is satisfied:

The Ordinance or Law:

- a) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at an insured location; and
- b) Is in force at the time of loss; and
- c) Was not in force at the time the involved construction was completed.

Coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

- 2) Coverage Provided:

a) Coverage for Loss To The Undamaged Portion Of The Building

- (1) With respect to the building that has sustained covered direct physical damage, we will pay under this Additional Coverage for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of

undamaged parts of the same building.

- (2) Coverage for the undamaged portion of the building is included within the Limit of Insurance shown in the **Declarations** as applicable to the covered building. This Additional Coverage does not increase the Limit of Insurance.

b) Demolition Cost Coverage

- (1) With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.
- (2) The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

c) Increased Cost of Construction Coverage

- (1) With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:
- (a) Repair or reconstruct damaged portions of that building; and
 - (b) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required,
- when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.
- (2) However, this coverage applies only if the restored or remodeled property is intended for similar

occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

- (3) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.
- (4) The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

3) Loss Payment

- a) When there is a loss in value of an undamaged portion of a building due to enforcement of an ordinance or law, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- (1) If the property is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:

- (a) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

- (b) The Limit of Insurance shown in the **Declarations** as applicable to the covered building.

- (2) If the property is not repaired or replaced, we will not pay more than the lesser of:

- (a) The actual cash value of the building at the time of loss; or

- (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
- b) The most we will pay for all covered losses for Demolition Cost Coverage and Increased Cost of Construction Coverage, is the Limit of Insurance shown below in paragraph 4). Subject to this Limit of Insurance, the following loss payment provisions apply:
- (1) For Demolition Cost Coverage, we will not pay more than the amount you actually spend to demolish and clear the site of an insured location.
 - (2) With respect to the Increased Cost of Construction Coverage, we will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another premises; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - c) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
 - d) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.
- 4) The most we will pay for loss under Demolition Cost Coverage and Increased Cost of Construction Coverage per occurrence is a combined limit of \$50,000 per insured location. The amount payable under this Additional Coverage is additional insurance.
- 5) We will not pay any costs:
- a) Due to an ordinance or law that:
 - (1) You were required to comply with before the loss, even when the building was undamaged; and
 - (2) You failed to comply with.
 - b) Associated with enforcement of any ordinance or law which:
 - (1) Requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
 - 6) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.
 - 7) The costs addressed in **Loss Payment, Valuation Conditions and the Replacement Cost Optional Coverage**, in CP 00 10, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage as stated in paragraph

4) above, is not subject to such limitation.

30. Personal Property in Transit

Under **Section F. Additional Coverage Extensions** of CP 10 30, **1. Property in Transit** is replaced by the following:

- a. You may extend the insurance that applies to Business Personal Property to apply to your property or property of others you have picked up from others, or property of others, which you are delivering. This Extension applies to property while it is "in transit" more than 1000 feet from an insured location and while between points in the Coverage Territory while:
 - 1) In a vehicle owned, leased or operated by you; or
 - 2) In the custody of a common carrier, contract carrier or registered mail carrier.
- b. This Extension does not apply to the following property:
 - 1) Shipments that belong to others that you are transporting for a fee;
 - 2) Property while waterborne;
 - 3) Live animals;
 - 4) Salesperson's samples; or
 - 5) Molds, dies, patterns or plates.
- c. Under **Section B. Exclusions**, Exclusions 1.b. and 1.g. do not apply to this Coverage Extension.
- d. The most we will pay for loss or damage under this Extension in any one "occurrence" regardless of the number of shipments involved is \$75,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

31. Pollutant Clean Up and Removal

Under **Section A.4. Additional Coverages** of CP 00 10, **d. Pollutant Clean Up and Removal** is replaced by the following:

We will pay your expenses to extract "pollutants" from land or water at an insured location if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in

writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each insured location is \$50,000 per "occurrence". In addition, \$50,000 is the most we will pay for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy. This coverage is an additional amount of insurance.

32. Preservation of Property

Under **Section A.4. Additional Coverages** of CP 00 10, **b. Preservation of Property** is replaced by the following:

If it is necessary to move Covered Property from an insured location to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- a. While it is being moved or while temporarily stored at another location; and
- b. Only if the loss or damage occurs within 90 days after the property is first moved.

Payment under this Addition Coverage is included within the applicable Limit of Insurance.

33. Property Off Premises

Under **Section A.5. Coverage Extensions** of CP 00 10, **d. Property Off-Premises** is replaced by the following:

- a. You may extend the insurance provided by this endorsement to apply to your Business Personal Property and Business Personal Property of Others to that property while it is away from an insured location, if it is:

- 1) Temporarily at a location you do not own, lease or operate.

Under this provision, to qualify for coverage you must demonstrate that the involved property:

- a) Had been situated at an insured location immediately before it went off-site and

suffered loss or damage, and

- b) Had not been away from an insured location for more than 90 consecutive days immediately preceding loss or damage;
- 2) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
- 3) At any fair, trade show or exhibition.
- b. This Extension does not apply to property:
 - 1) In or on a vehicle; or
 - 2) In the care, custody or control of your salesperson, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- c. The most we will pay for loss or damage under this Extension is \$100,000 per "occurrence". This Coverage Extension provides an additional amount of insurance.

34. Prototypes

Under **Section A.5. Coverage Extensions** of CP0010, the following is added:

r. Prototypes

- 1) You may extend the insurance that applies to your Business Personal Property to apply to direct physical loss or damage, caused by a Covered Cause of Loss, to "prototypes" related to your "research and development operations" that:
 - a) You own; or
 - b) Are owned by others and in your care, custody or control, while at a described premises.
- 2) We will not pay for loss or damage to "prototypes" until you actually replicate such property. Repairs or replication must be made as soon as reasonably possible after the loss or damage, but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two year period.

Payment under this Coverage Extension is included with your

Business Personal Property Limit of Insurance.

35. Salesperson's Samples

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

t. Salesperson's Samples

- 1) We will pay for direct physical loss or damage caused by a Covered Cause of Loss to samples of your "stock" in trade (including containers) while:
 - a) In the custody of your sales representative, agent or any "employee" who travels with sales samples;
 - b) In your custody while acting as a sales representative; or
 - c) "In transit" between premises that you own, lease or operate and your sales representative.
- 2) The most we will pay for loss or damage under this Additional Coverage is \$25,000 per "occurrence". The amount payable under this Additional Coverage is additional insurance.
- 3) We will not pay for any loss to the following property:
 - a) Property which has been sold;
 - b) Jewelry, precious or semi-precious stones, gold, silver, platinum or other precious metals or alloys;
 - c) Fur, fur garments or garments trimmed with fur; or
 - d) Any property while waterborne.
- 4) Under **Section B. Exclusions** of CP 10 30, Exclusions 1.e., 2.a. and 2.d.4), 5) and 6) do not apply to this Additional Coverage.
- 5) We will not pay for any loss or damage caused by "theft" from an unattended vehicle, except when it is securely locked, its windows are fully closed, and there is visible evidence that entry into the vehicle was forced.

36. Seasonal Increase – Business Personal Property

- 1) The Limit of Insurance for Business Personal Property will automatically

increase by 25% to provide for seasonal variations.

- 2) This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 100% of your average monthly values during the lesser of:
 - a) The 12 months immediately preceding the date the loss or damage occurs; or
 - b) The period of time you have been in business as of the date the loss or damage occurs.

37. Tenant Glass

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

u. Tenant Glass

- 1) If glass in a building you occupy, but do not own, is damaged, we will pay for direct physical loss of or damage to glass.
- 2) This insurance includes replacement of lettering, artwork, ornamentation, sensors or other items permanently affixed to, or a part of a building at an insured location.
- 3) For coverage to apply, the glass must be in your care, custody or control and repairs must be made at your expense.
- 4) We will also pay for necessary:
 - a) Expenses incurred to put up temporary plates or board up openings when repair or replacement of the damaged glass is delayed;
 - b) Repair or replacement of encasing frames; and
 - c) Expenses incurred to remove or replace obstructions to repair or replace the damaged glass.

This does not include the cost of removing, replacing or rebuilding window displays.

- 5) Paragraph **B. Exclusions** of CP 10 30 does not apply to this Additional Coverage, except for:
 - a) Paragraph **B.1.b. Earth Movement**;
 - b) Paragraph **B.1.c. Governmental Action**;

c) Paragraph **B.1.d. Nuclear Hazard**;

d) Paragraph **B.1.f. War & Military Action**; and

e) Paragraph **B.1.g. Water**.

- 6) We will not pay for loss or damage caused by or resulting from:

- a) Wear and tear;
 - b) Hidden or latent defect;
 - c) Corrosion; or
 - d) Rust,
- whatever its origin or cause.

- 7) The most we will pay for loss or damage in an "occurrence" under this Additional Coverage is \$25,000. The amount payable under this Additional Coverage is additional insurance.

38. Theft Damage to Building

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

v. Theft Damage to Building

- 1) When repairs are made at your expense, we will pay for loss or damage to:
 - a) That part of any unowned building containing Your Business Personal Property; or
 - b) Unowned equipment within the building used to maintain or service the building; caused directly by "theft" or attempted "theft".
- 2) This Additional Coverage is primary but applies only to an insured location where you are a tenant and the property is in your care, custody or control.
- 3) This Additional Coverage is included within the Limit of Insurance applicable to Your Business Personal Property at the insured location of loss, and does not increase that Limit of Insurance.

39. Underground Water Seepage

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

w. Underground Water Seepage

- 1) We will pay for direct physical loss or damage to Covered Property at an insured location, caused by or resulting from water under the ground surface pressing on, or flowing or seeping through:
 - a) Foundations, walls, floors or paved surfaces;
 - b) Basements, whether paved or not; or
 - c) Doors, windows or other openings.
- 2) Under Section **B.1. Exclusions** of CP 10 30, exclusion **g.4)** is deleted.
- 3) The most we will pay for any loss under this Additional Coverage is \$25,000 at each insured location. The amount payable under this Additional Coverage is additional insurance.
- 4) For the purpose of this policy, the term water shall mean water, including waterborne substances or materials.

THIS IS NOT FLOOD INSURANCE OR PROTECTION FROM AN INUNDATION OF SURFACE WATER, HOWEVER CAUSED.

This coverage is intended to provide water seepage coverage when such event is a localized incident and not part of a general, widespread flood water event. When otherwise excluded loss by water as provided for within CP 10 30, Exclusion **1.g. Water** accompanies Underground Water Seepage as provided for above, whether occurring before, after, or at the same time as Underground Water Seepage, this additional Coverage does not apply and the provisions of Exclusion **1.g. Water** control, and no coverage is provided for any part of the loss.

40. Unintentional Property Reporting Errors

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

x. Unintentional Property Reporting Errors

- 1) If "you" unintentionally failed to report or describe a location to "us", coverage provided by this policy will not be invalid.

However, "you" must report such errors or omission to "us" in writing as soon as you discover them. "You" also agree to pay the additional premium that would have been earned by "us" if the location was correctly reported to "us".

- 2) This Additional Coverage only applies to direct loss or damaged caused by a Covered Cause of Loss at the omitted location and does not include any coverage for the perils of flood or earthquake even if flood and earthquake coverage is purchased for this or another policy.
- 3) You must provide reasonable documentation and clear and convincing evidence explaining the cause of the oversight.
- 4) For any location you have failed to report to us, this coverage will end when any of the following first occurs:
 - a) This policy expires; or
 - b) You report values to us.
- 5) The most we will pay for any loss under this Additional Coverage in any one policy period regardless of the number of occurrences or reporting errors or omissions is \$500,000. This coverage is additional insurance.
- 6) This Additional Coverage does not apply to a loss that is covered under Newly-Acquired or -Constructed Property coverage.

41. Utility Services

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

y. Utility Services

1) Utility Services – Direct Physical Loss or Damage

- a) We will pay for loss of or damage to Covered Property caused by the interruption of service to an insured location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not at an insured location that provides the services shown below in paragraph **3)** below. This

coverage does not include loss due to spoilage.

- b) The most we will pay for any loss under this Additional Coverage is \$50,000 per "occurrence" at each insured location.

2) Utility Services – Loss of Income or Extra Expense

- a) We will pay for loss of "business income" or "extra expense" caused by the interruption of service at an insured location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not at an insured location that provides the services shown in paragraph (3) **Services** below.

We will only pay for loss you sustain after the first 24 hours following the direct physical loss or damage to the property described above.

- b) To calculate recoverable loss under this coverage, we will use the terms and provisions as set forth under the Business Income and Extra Expense coverage found elsewhere in this endorsement. However, this coverage does not include loss for Extended Business Income as set forth therein.

- c) The most we will pay for loss or damage under this Additional Coverage is \$50,000 per "occurrence" at each insured location.

The following terms apply to both paragraphs 1) and 2) above:

3) Services:

- a) "Water Supply Services", means the following types of property supplying water to an insured location:

- (1) Pumping stations; and
- (2) Water mains.

But "Water Supply Services" does not include aquifers, reservoirs, holding or draw tanks, or any other unnamed part of a water supply system.

- b) "Communication Supply Services", means the following types of property supplying communication services, including but not limited to telephone, radio, microwave or television services to an insured location, such as:

- (1) Communication transmission lines, including optic fiber transmission lines;
- (2) Coaxial cables; and
- (3) Microwave radio relays except satellites.

But "Communication Supply Services" does not include overhead transmission lines, overhead transformers or relays, or any other overhead service equipment or similar equipment (however mounted and whatever mounted upon).

- c) "Power Supply Services", means the following types of property supplying electricity, steam or gas to an insured location:

- (1) Utility generating plants;
- (2) Switching stations;
- (3) Substations;
- (4) Transformers; and
- (5) Transmission lines.

But "Power Supply Services" does not include overhead transmission lines, overhead transformers or relays, or any other overhead service equipment or similar equipment (however mounted and whatever mounted upon).

- 4) This Additional Coverage is not subject to the terms of the **Utility Services Exclusion**, to the extent that such exclusion would conflict with provisions of this Additional Coverage. Payment for loss or damage under this Additional Coverage is included within the applicable Limit of Insurance.
- 5) Insurance under this Additional Coverage does not apply to loss or damage to, or arising from, electronic data, including destruction or corruption of

electronic data. The term electronic data has the meaning set forth within section A.2. **Property Not Covered** of CP 00 10 to which this endorsement applies.

42. Water Damage, Other Liquids, Powder or Molten Material Damage

Under **Section F. Additional Coverage Extensions** of CP 10 30, **2. Water Damage, Other Liquids, Powder or Molten Material Damage** is replaced by the following:

If loss or damage caused by or resulting from covered water damage or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure, or, in the case of underground pipes, lawns, shrubs or paved areas, to repair damage to the system or appliance from which the water or other substance escapes.

Payment under this Additional Coverage is included within the applicable Limit of Insurance. The maximum we will pay for loss or damage to lawns, shrubs or paved areas is \$25,000 per "occurrence".

THIS IS NOT FLOOD INSURANCE OR PROTECTION FROM AN INUNDATION OF SURFACE WATER, HOWEVER CAUSED.

43. Worldwide Property Off-Premises

Under **Section A.5. Coverage Extensions** of CP 00 10, the following is added:

p. Worldwide Property Off-Premises

- 1) You may extend the insurance that applies to your Business Personal Property and Business Personal Property of Others while it is not at an insured location and outside the coverage territory if it is:
 - a) Temporarily at a location you do not own, lease or operate;

Under this provision, to qualify for coverage you must demonstrate that the involved property:

 - (1) Had been situated at an insured location immediately before it went off-site and suffered loss or damage, and

- (2) Had not been away from an insured location for more than 90 consecutive days immediately preceding loss or damage;

- b) At any fair, trade show or exhibition; or

- c) While "in transit" between an insured location and a location described in a) or b) above.

- 2) When loss includes Property of Others, for coverage to apply to such property, you must have assumed responsibility for the property under a written agreement that was in effect before the loss.

- 3) The most we will pay for loss or damage under this Extension is \$50,000 per "occurrence". This Coverage Extension provides an additional amount of insurance.

B. COVERAGES PROVIDED UNDER A BLANKET LIMIT OF INSURANCE

1. Accounts Receivable

Under **Section A.5. Coverage Extensions**, of CP 00 10, the following is added:

q. Accounts Receivable

- 1) You may extend the insurance that applies to Your Business Personal Property to apply to accounts receivable. We will pay:
 - a) All sums due from your customers that, after reasonable effort, you are unable to collect;
 - b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 - c) Reasonable collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
 - d) Other reasonable expenses that you incur to re-establish your records of accounts receivable,

that result from direct physical loss or damage by any covered

Cause of Loss to your records of accounts receivable.

- 2) Paragraph **B. Exclusions** of CP 10 30 do not apply to this Coverage Extension, except for:
 - a) Paragraph **B.1.c. Governmental Action**;
 - b) Paragraph **B.1.d. Nuclear Hazard**;
 - c) Paragraph **B.1.f. War & Military Action**;
 - d) Paragraph **B.2.h. Dishonesty**;
 - e) Paragraph **B.2.i. False Pretense**; and
 - f) Paragraph **B.3.**
- 3) This Coverage Extension does not apply to loss or damage caused by or resulting from:
 - a) Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
 - (1) Programming errors or faulty machine instructions;
 - (2) Faulty installation or maintenance of data processing equipment or component parts.

But we will pay for direct loss or damage caused by lightning; or
 - b) Alteration, falsification, concealment, destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.
- 4) The most we will pay under this Coverage Extension for loss or damage in any one "occurrence" at an insured location is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

2. Business Income and Extra Expense

Under **Section A.4. Additional Coverage** of CP 00 10, the following is added as respects only the Business Income and Extra Expense insurance as provided under the Blanket Limit of Insurance of this endorsement:

z. Business Income and Extended Business Income and Extra Expense

1) Business Income

We will pay for the actual loss of "business income", including "rental value", you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at an insured location. The loss or damage must be caused by or result from a Covered Cause of Loss.

With respect to loss of or damage to personal property in the open or personal property in a vehicle, an insured location includes the area within 1000 feet of the site at which the insured location is located.

2) Extra Expense

We will pay necessary "Extra Expense" you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property at an insured location. The loss or damage must be caused by or result from a Covered Cause of Loss.

With respect to loss of or damage to personal property in the open or personal property in a vehicle, an insured location includes the area within 1000 feet of the site at which the insured location is located.

- 3) With respect to the requirements set forth in 1) and 2) above, if you occupy only part of the site at which the insured location is located, your premises means:
 - a) The portion of the building which you rent, lease or occupy; and
 - b) Any area within the building or on the site at which an insured location is located, if that area services, or is used to gain access to, an insured location.
- 4) We will only pay for loss of "business income" or "extra

expense" that occurs during the "period of restoration" and that occurs within 12 consecutive months after the date of direct physical loss or damage.

- 5) For the purposes of this portion of the insurance, all recoverable loss ceases when the "period of restoration" ends.
- 6) This Additional Coverage does not extend to cover any net income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses, nor will it penalize you for similar decreases caused by loss of market or other factors as calculated for the "period of restoration".
- 7) Where appropriate, historical records will be used to assist in forecasting your probable loss of income had covered loss not intervened.
- 8) The impact of excluded events which may take place at or after the date of loss will be considered in determining your likely net income after covered loss and in calculating your loss of income under this coverage.

9) Extended Business Income

If the necessary suspension of your "operations" produces a "Business income" loss payable under this policy, we will pay for the actual loss of "business income" you incur during the period that:

- a) Begins on the date property except finished "stock" is actually repaired, rebuilt or replaced to the extent necessary to resume "operations"; and
- b) Ends on the earlier of:
 - (1) The date you could restore your "operations", with reasonable speed, to the level which would generate the "business income" amount that

would have existed if no direct physical loss or damage had occurred; or

- (2) 365 consecutive days after the date determined in (9)(a) above or 24 consecutive months from the date of the covered loss, whichever is less.

- c) Loss of "business income" during the extended period provided by this coverage must be caused by direct physical loss or damage at an insured location caused by or resulting from any Covered Cause of Loss.
- d) However, Extended Business Income does not apply to loss of "business income" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss, or of excluded loss events, in the area where an insured location is located. The impact of such events will be considered and factored in when determining your likely net income after covered loss and in calculating your loss of income under this coverage.
- e) Where appropriate, historical records and market factors prevailing at the conclusion of the "period of restoration" will be used to assist in forecasting your probable extended loss outcome.

10) We will not pay for:

- a) Any "Extra Expense", or increase of "business income" loss, (including Extended Business Income) caused by or resulting from:
 - (1) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons;
 - (2) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension,

lapse or cancellation is directly caused by the suspension of "operations", we will cover such loss that affects your "business income" during the "period of restoration". This final provision addressing direct causal relationship does not extend to loss you may incur under Extended Business Income;

- b) Any other consequential loss; or
- c) Loss of Business Income (including Extended Business Income) caused by direct physical loss of or damage to "software" after the longer of:
 - (1) 60 consecutive days from the date of physical loss or damage; or
 - (2) The period, beginning with the date of physical loss or damage necessary to repair, rebuild or replace with reasonable speed and similar quality, other property at the insured location due to damage caused by the same "occurrence".

Example #1

A Covered Cause of Loss damages "computer equipment" and results in the loss of data processing programming records (a part of "software" as defined) on August 1st. The "software" records are replaced October 15th. We will only pay for the Business Income Loss sustained during the period August 1st – September 29th (60 consecutive days). Loss during the period September 2nd – October 15th is not covered.

Example # 2

A covered Cause of Loss damages "computer equipment" on June 1st. It takes until September 1st to replace the computer "hardware" and until October 1st to restore the data (a part of "software") that was lost when the damage occurred. We will only pay for the Business Income loss sustained during the

period June 1st – September 1st. Loss during the period September 2nd – October 1st is not covered.

- 11) This Additional Coverage does not apply to other Additional Coverages or Coverage Extensions except:

- a) With regard to 1) Business Income and 2) Extra Expense:

- (1) Foundations and Underground Pipes;
- (2) Ordinance or Law;
- (3) Underground Water Seepage;
- (4) Utility Services;
- (5) Backup or Overflow of Sewer, Drains or Sumps;
- (6) Electronic Data Processing Equipment; or
- (7) Collapse.

- b) With regard to 9) Extended Business Income:

- (1) Collapse; or
- (2) "Computer equipment".

- 12) The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" at an insured location is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

3. Claim Expenses

Under **Section A.5. Coverage Extensions**, of CP 00 10, the following is added:

m. Claims Expenses

- 1) We will pay all reasonable expenses you incur at our request to assist us in:
 - a) The investigation of a claim;
 - b) The determination of the amount of loss, such as taking inventory; or
 - c) The cost of preparing a statement of loss and other supporting exhibits.
- 2) We will not pay for expenses:
 - a) Incurred to perform your Duties in the Event of Loss under **Section E. Loss Conditions** of CP 00 10;

- b) To prove that loss or damage is covered;
 - c) Billed by and payable to independent or public adjusters, or attorneys or similar entities sponsored by any of the above;
 - d) To prepare claims not covered by this policy; or
 - e) Incurred under any Appraisal provisions within the policy.
- 3) The Deductible does not apply to this Coverage Extension.
 - 4) Regardless of the number of insured locations involved, the most we will pay under this Coverage Extension for loss or damage in any one "occurrence" at an insured location is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

4. Electronic Data Processing Equipment

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

aa. Electronic Data Processing Equipment

- 1) We will pay for direct physical loss to the following Covered Property which is your property or the property of others in your care, custody or control for which you are responsible under written agreement:
 - a) "Computer equipment";
 - b) Climate control equipment and fire protective equipment used exclusively with your "computer equipment"; and
 - c) Programming documentation and instructional manuals.
- 2) We will not pay for any loss to the following property:
 - a) Property you rent, loan or lease to others while it is away from an insured location;
 - b) Property you hold for sale, distribute or manufacture; or
 - c) "Software" that cannot be duplicated or replaced with

similar property of equal quality.

- 3) Under **Section B. Exclusions** of CP 10 30, exclusions **1.e., 2.a., 2.d. (6)** and **(7)** do not apply to this Additional Coverage.
- 4) Under **Section A.2. Property Not Covered** of CP 00 10, the following is added:
 - r. "Computer Equipment", Climate control equipment and fire protective equipment used exclusively with your "computer equipment"; and programming documentation and instructional manuals – all except as otherwise provided for within a special endorsement or within the Blanket Coverages of an attached Property Broadening Endorsement.
- 5) We will not pay for any loss caused by or resulting from:
 - a) Errors or omissions in programming or incorrect instructions to "hardware"; or
 - b) Faulty instruction or incorrect usage, including changes in arrangements of parts.
 - c) Theft of this property while checked as baggage.
- 6) Business Income and Extra Expense Computer Virus Coverage
 - a) As an additional benefit, while the policy excludes direct physical loss caused by "computer virus", we will pay for the actual loss of "business income" (but not Extended Business Income) or "extra expense" you sustain due to the necessary "suspension" of "operations" during the "period of restoration" caused by or resulting from "computer virus" that occurs at an insured location shown in the Declarations.
 - b) Subject also to the limits stated within **7)** below, we will cover Loss of Business Income (not including Extended Business Income) and "extra expense" caused

by "computer virus" as specified above for no more than 90 consecutive days from the date such virus is discovered by you, but only to the extent you have, with reasonable speed, resumed (or attempted to resume) your "operations" as soon as possible by remedying the problems caused by the offending "computer virus" or other practical means.

- 7) Regardless of the number of locations involved, the most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

5. Fine Arts

Under **Section A.4. Additional Coverages** of CP 00 10, the following is added:

bb. Fine Arts

- 1) When caused by a Covered Cause of Loss, we will pay for direct physical loss to "fine arts" which are your property or the property of others in your care, custody or control while on an insured location, while on public exhibition or while "in transit".
- 2) Our payment for loss of or damage to property of others will only be for the account of the owner of the property.
- 3) Paragraph B. **Exclusions 1.e., 2.a. and 2.b., 2.d.(4) and (6)** of CP 10 30 do not apply to this Additional Coverage.
- 4) We will not pay for any loss caused by or resulting from:
 - a) Breakage of statuary, glassware, bric-a-brac, marble, porcelain and similar fragile property, however caused, unless such breakage is caused directly by a "specified cause of loss" or earthquake or flood; and
 - b) Any repairing, restoration or retouching of the "fine arts".
- 5) Regardless of the number of locations involved, the most we

will pay under this Additional Coverage for loss or damage in any one "occurrence" is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

6. Fire Department Service Charge

Under **Section A.4. Additional Coverages** of CP 00 10, **c. Fire Department Service Charge** is replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay for your liability for fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance.

Regardless of the number of locations involved, the most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule

7. Movement of Property

Under **Section A.5. Coverage Extensions**, of CP 00 10, the following is added:

n. Movement of Property

- 1) You may extend the insurance that applies to Covered Property to apply to direct physical loss or damage from a Covered Cause of Loss to your Business Personal Property from an insured location which has been deleted from this policy if:
 - a) You moved Covered Property from an insured location to a new premises; and
 - b) A Limit of Insurance for the new premises has been added to this policy; and
 - c) The direct physical loss or damage occurs to Covered Property at the prior insured location before the movement of property to the new premises is completed.
- 2) Insurance under this Coverage Extension will end when any of the following first occurs:

- a) The movement of property to the new premises is completed; or
 - b) 30 days after the effective date of the endorsement adding the new premises.
- 3) Regardless of the number of locations involved, the most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

8. Outdoor Property

Under **Section A.5. Coverage Extensions** of CP 00 10, **e. Outdoor Property** is replaced by the following:

You may extend the insurance provided by this policy to apply to the following at insured locations:

- 1) Bridges, roadways, walks, patios or other paved surfaces;
- 2) In-ground sprinkler systems and piping;
- 3) Outdoor fences and awnings;
- 4) Outdoor signs (including those attached to buildings at an insured location);
- 5) Radio, microwave or television towers, antennas or satellite dishes, including their lead-in wiring and masts;
- 6) Retaining walls that are not part of the building (except those that are used, in whole or in part, to contain, hold back or restrain water); or
- 7) Trees, shrubs, plants or lawns (other than "stock" of trees, shrubs, plants or lawns) which you own or for which you are liable, including debris removal expense, caused by or resulting from any Covered Cause of Loss, except for (7) above.

Property in paragraph 7) above is covered for loss or damage caused by or resulting from the following causes of loss:

- a) Fire;
- b) Lightning;
- c) Explosion;
- d) Riot or civil commotion;
- e) Falling objects;
- f) Aircraft;

- g) Windstorm; or
- h) Ice, snow, sleet and hail.

- 8) The most we will pay for loss caused by windstorm, ice, snow, sleet or hail for property in paragraph 7) is \$5,000, but not more than \$1,000 for any one tree, shrub, plant or lawn.
- 9) This insurance provides coverage only for property you own or for which you are liable under written agreement.
- 10) The coverage and Limits of Liability provided within this Coverage Extension represents the total amounts collectible for the above items, including debris removal expense, in the event of loss.
- 11) Regardless of the number of locations involved, the most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

9. Personal Effects

Under **Section A.5. Coverage Extensions** of CP 00 10, **b. Personal Effects and Property of Others** is replaced by the following:

b. Personal Effects

- 1) You may extend the insurance that applies to Your Business Personal Property to apply to Personal Effects owned by you, your officers, your partners or members, your managers or your "employees".
- 2) Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.
- 3) The most we will pay under this Coverage Extension is subject to the blanket limit of insurance. This Coverage Extension provides an additional amount of insurance.

10. Research and Development Documentation

Under **Section A.5. Coverage Extensions** of CP0010, the following is added:

s. Research and Development Documentation

- 1) You may extend the insurance that applies to Business Personal

Property to apply to direct physical loss or damage, resulting from a Covered Cause of Loss, to "research and development documentation" that you own or that is in your care, custody or control at a described premises.

- 2) Paragraph **B. Exclusions** of CP 10 30 do not apply to this Coverage Extension, except for:
 - a) Paragraph **B.1.c. Governmental Action**;
 - b) Paragraph **B.1.d. Nuclear Hazard**;
 - c) Paragraph **B.1.f. War and Military Action**;
 - d) Paragraph **B.2.h. Dishonesty**;
 - e) Paragraph **B.2.i. False Pretense**; and
 - f) Paragraph **B.3.**
- 3) This Coverage Extension does not apply to loss or damage caused by or resulting from:
 - a) Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
 - (1) Programming errors or faulty machine instructions; or
 - (2) Faulty installation or maintenance of data processing equipment or component parts;
 - b) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the direct loss or damage caused by the fire or explosion;
 - c) Erasure of "research and development documentation"; or
 - d) Unauthorized instructions to transfer property to any person or place.
- 4) Coverage provided by this Extension does not apply to "research and development documentation" which exist as electronic data. The term

electronic data has the meaning set forth within the Electronic Data paragraph found within **A.2. Property Not Covered** of the CP 00 10 to which this endorsement applies.

- 5) We will not pay for loss or damage to "research and development documentation" until you actually replicate such documentation. Repairs or replication must be made as soon as reasonably possible after the loss or damage, but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two-year period.
- 6) We will not pay for loss or damage to "research and development documentation" applicable to:
 - a) Products that are obsolete,
 - b) Existing products you have withdrawn from the market; or
 - c) Existing products you have not sold in the last twelve months prior to the loss.
- 7) Regardless of the number of insured locations involved, the most we will pay under this Coverage Extension for loss or damage in any one "occurrence" at an insured location is subject to the Blanket Coverage Limit of Insurance.

11. Research and Development Expenses

Under **Section A.4. Additional Coverages** of CP 0010, the following is added:

cc. Research and Development Expenses

- 1) If your "research and development operations" are suspended due to direct physical loss or damage, caused by a Covered Cause of Loss, to property directly related to your "research and development operations" and the loss is not covered under any other provisions of this policy, you may extend the insurance that applies to Business Income to cover ordinary payroll and loss of continuing fixed charges directly attributable to your development activities.

- 2) Research and development expenses are included in the limit of insurance for Business Income.

12. Research and Development Operations – Extra Expense

Under **Section A.4. Additional Coverages** of CP 0010, the following is added:

dd. Research and Development Operations – Extra Expense

- 1) We will pay the actual and necessary "Extra Expense" that you would not have incurred if your "research and development operations" had not been suspended due to direct physical loss or damage, caused by a Covered Cause of Loss, to property directly related to your "research and development operations".
- 2) Under this Additional Coverage, the definition of "Extra Expense" is replaced with the following:
 "Extra Expense" means necessary expenses you incur during the "research and development period of restoration" that you would not have incurred if there had been no direct physical loss or damage, caused by or resulting from a Covered Cause of Loss, to property directly involved in your "research and development operations":
 - a) To avoid or minimize the "suspension" of, and to continue your "research and development operations"; or
 - b) To minimize the "suspension" of your "research and development operations" if you cannot continue them.
- 3) Regardless of the number of insured locations involved, the most we will pay under this Coverage Extension for loss or damage in any one "occurrence" at an insured location is subject to the Blanket Coverage Limit of Insurance.

13. Valuable Papers and Records

Under **Section A.5. Coverage Extensions**, of CP 00 10, **c. Valuable Papers and Records – Cost of Research** is replaced by the following:

c. Valuable Papers and Records (Other Than Electronic Data)

- 1) You may extend the insurance that applies to Business Personal Property to apply to direct physical loss or damage caused by or resulting from a Covered Cause of Loss to "valuable papers and records" that you own or that are in your care, custody or control. This Coverage Extension includes the costs to research lost information on "valuable papers and records" for which duplicates do not exist.
- 2) This Coverage Extension does not apply to property held as samples or for delivery after sale.
- 3) Paragraph **B. Exclusions** of CP 10 30 do not apply to this Coverage Extension, except for:
 - a) Paragraph **B.1.c. Governmental Action**;
 - b) Paragraph **B.1.d. Nuclear Hazard**;
 - c) Paragraph **B.1.f. War and Military Action**;
 - d) Paragraph **B.2.h. Dishonesty**;
 - e) Paragraph **B.2.i. False Pretense**; and
 - f) Paragraph **B.3.**
- 4) This Coverage Extension does not apply to loss or damage caused by or resulting from:
 - a) Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or resulting from:
 - (1) Programming errors or faulty machine instructions; or
 - (2) Faulty installation or maintenance of data processing equipment or component parts;
 But we will pay for direct loss or damage caused by lightning; or
 - b) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the direct loss or

damage caused by the fire or explosion.

- 5) Coverage provided by this Extension does not apply to valuable papers and records which exist as electronic data. The term electronic data has the meaning set forth within the Electronic Data paragraph found within **A.2. Property Not Covered** of the CP 00 10 to which this endorsement applies.
- 6) Regardless of the number of insured locations involved, the most we will pay under this Coverage Extension for loss or damage in any one "occurrence" at an insured location is subject to the Blanket Coverage Limit of Insurance, or the amount shown in the Additional Property Coverage Schedule.

C. BROADENED VALUATION CLAUSE

Under **Section E. Loss Conditions** of CP 00 10, **7. Valuation** is replaced with the following:

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At replacement cost without deduction for depreciation, except as provided in **b. through r. below.**
 - 1) You may claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the date loss or damage.
 - 2) We will not pay on a replacement cost basis for any loss or damage:
 - a) Until the lost or damaged property is actually repaired or replaced; and
 - b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
 - 3) We will not pay more for loss or damage on a replacement cost basis than the least of:

- a) The Limit of Insurance applicable to the lost or damaged property;
 - b) The cost to replace, on the same premises, the lost or damaged property with other property:
 - (1) Of comparable material and quality; and
 - (2) Used for the same purpose; or
 - c) The amount you actually spend that is necessary to repair or replace the lost or damaged property even if, when replacement is necessary, you choose to make use of other than new property to effect such replacement.
- b. The following property at actual cash value:
 - 1) Used or second-hand merchandise held in storage or for sale;
 - 2) Household contents, except personal property in apartments or rooms furnished by you as landlord;
 - 3) Manuscripts;
 - 4) Works of art, "antiques" or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; and
 - 5) Contractors equipment and tools.
 - c. Glass at the cost of replacement with safety glazing material if required by law.
 - d. Tenant's Improvements and Betterments at:
 - 1) Actual cash value of the lost or damaged property if you make repairs promptly;
 - 2) A proportion of your original cost if you do not make repairs promptly.

We will determine the proportionate value as follows:

 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of

days from the installation of improvements to the expiration of the lease.

- (c) When a written lease does not exist, instead of the method of calculating loss shown in d.(2)(a) and (b) above, we will determine the proportionate value of the improvements and betterments as follows:

- (1) Multiply the original cost by 365 days; and
- (2) Divide the amount determined in (a) above by the number of days from the installation of improvements to 365 days after the date of the "occurrence";

- 3) If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure described in 2) above; or

- 4) Nothing, if others pay for repairs or replacement.

- e. "Valuable papers and records", including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:

- 1) Blank materials for reproducing the records; and
- 2) Labor to transcribe or copy the records when there is a duplicate.

This condition does not apply to "valuable papers and records" that are actually replaced or restored.

- f. "Money" at its face value.
- g. "Securities" at their value at the close of business on the day the loss is discovered.
- h. Accounts receivable:
 - 1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage:
 - a) We will determine the total of the average monthly amounts of accounts receivable for the 12 months preceding the month in which loss or damage occurs; and

- b) We will adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

- 2) The following will be deducted from the total amount of accounts receivable, however that amount is established:

- a) The amount of the accounts for which there is no loss or damage;
- b) The amount of the accounts that you are able to re-establish or collect;
- c) An amount to allow for probable bad debts that you are normally unable to collect; and
- d) All unearned interest and service charges.

- i. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- j. Finished "stock" you manufactured at the selling price less discounts and expenses you otherwise would have had.
- k. Property "in transit" (other than "stock" you have sold) at the amount of invoice, including your prepaid or advanced freight charges and other charges which may have accrued or become legally due since the shipment. If you have no invoice, actual cash value will apply.
- l. Lottery tickets at their initial cost to you except for winning tickets, which will be valued at their redeemed present cash value.
- m. Data, media and computer "software" programs:
 - 1) For media, at the actual costs of repairing or replacing the media with material of like kind and quality; and
 - 2) Data and computer "software" programs at the actual cost of reproducing the data or computer "software" program, providing you actually reproduce or replace it.

n. Prepackaged "software" programs and electronic data processing equipment that cannot be replaced, at the cost of functionally equivalent "software" or "hardware".

o. Precious metals, such as gold, silver and platinum, at the average market cost of replacements on the date of loss, or the actual cost of the replacement, if less.

p. "Fine arts":

The value of Covered Property is not agreed upon but will be determined at the time of loss or damage. We will not pay more than the least of the following:

- 1) The actual cash value of the property at the time of loss or damage; or
- 2) The amount for which you could reasonably expect to pay to have the property repaired to its condition immediately prior to the loss.

q. Pairs or sets at our option:

- 1) The cost to repair or replace any part to restore the pair or set to its value before the loss or damage; or
- 2) The difference between the value of the pair or set before and after the loss or damage.

r. "Prototypes":

We will not pay more than the least of the following amounts:

- 1) The replacement cost of such property used for the same product, but only if replacement cost is shown as applicable to Personal Property in the Declarations.

However, when replacement with identical property is impossible or unnecessary, the amount of loss will be based on the cost to replace with similar property used to perform the same functions. Property of others will be valued in the same manner, but we will not pay more than the amount for which you are legally liable; or

- 2) The amount you actually spend to repair or replace lost or damaged "prototypes" used for the same purpose.

s. "Research and development documentation":

We will not pay more than the least of the following amounts:

- 1) Your cost actually spent to reproduce lost or damaged "research and development documentation" from back-up files or original source documents;
- 2) The reasonable cost necessary to research, repair, restore, recreate, reconstitute, reproduce or replace "research and development documentation", used for the same product, to their condition immediately before the loss or damage;
- 3) If identical "research and development documentation" cannot be purchased, the cost to purchase such documentation of comparable kind, functionality and quality; or
- 4) The amount you actually spend to research, repair, restore, recreate, reconstitute, reproduce or replace "research and development documentation", used for the same-product.

But we will not pay more than the cost to restore "research and development documentation" to its condition immediately prior to the loss.

t. "Business income", "extra expense" and "resumption of operations":

- 1) The amount of "business income" loss will be determined based on:
 - a) The Net Income of the business before the direct physical loss or damage occurred;
 - b) The likely Net Income of the business if no loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business conditions due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same

quality of service that existed just before the direct physical loss or damage; and

- d) Other relevant sources of information, including:
 - (1) Your financial records and accounting procedures;
 - (2) Bills, invoices and other vouchers; and
 - (3) Deeds, liens or contracts.
- 2) The amount of "extra expense" will be determined based on:
 - a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (2) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - b) All necessary expenses that reduce the "business income" loss that otherwise would have been incurred.
- 3) Resumption of Operations

We will reduce the amount of your:

 - a) "Business income" loss, other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at an insured location or elsewhere; and
 - b) "Extra expense" loss to the extent you can return "operations" to normal and

discontinue such "extra expense".

If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

IV. DEFINITIONS

Under **Section H. Definitions** of CP 00 10, the following are added:

Defined words shown in this section may be used in the singular or plural within this policy. When so used, adjustment to the stated definitions to match such usage shall be incorporated into the definition.

- 4. "Antiques" means an object having value because its:
 - a. Craftsmanship is in the style or fashion of former times; and
 - b. Age is 100 years or older.
- 5. "Business income" means:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred if no physical loss or damage had occurred; and
 - b. Continuing normal operating expenses incurred, including payroll.
- 6. "Computer equipment" means:
 - a. Computer "hardware" and related component parts. Component parts include but are not limited to modems, printers, keyboards and scanners.
 - b. Computer control systems including uninterruptible power supply systems, line conditioner and voltage regulator; and
 - c. "Software".

"Computer Equipment" includes only those items whose primary function is to electronically process data. It does not include production equipment or similar items that use "hardware" or "software" to control such equipment's operations in producing such equipment's desired production results.
- 7. "Computer virus" means an intentional, unwanted entry into electronic data processing "software" which results in unintended functions distorting, corrupting or manipulating the electronic data processing "software".
- 8. "Dependent property" means property operated by others whom you depend on to:
 - a. Deliver materials or services to you, or to others on your behalf;

- b. Accept your products or services;
 - c. Manufacture products for delivery to your customers under contract of sale; or
 - d. Attract customers to your business.
9. "Dependent property period of restoration":
- a. Means the period of time that:
 - 1) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property"; and
 - 2) Ends on the date when the property at the premises of the "dependent property" should have been repaired, rebuilt or replaced to a condition permitting occupancy with reasonable speed and similar quality; and
 - b. Does not include any increased period required due to the enforcement of any ordinance or law that:
 - 1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - 2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "dependent property period of restoration".

10. "Employee" means:
- a. Any natural person while in your service (and for 30 days after termination of service) whom you:
 - 1) Compensate directly by salary, wages or commissions; and
 - 2) Have the right to direct and control while performing services for you;
 - b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the premises;
 - c. A director, trustee, officer, administrator, manager or person of similar nature or responsibility who is managing, of any Employee Welfare or Pension Benefit Plan insured under this insurance. However, "employee" does not include any independent contractor acting in the above capacity; and

- d. Your director or trustee while that person is performing the duties of any "employee".

"Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character, whether or not they otherwise qualify as an "employee" under the terms set forth above.

11. "Extra Expense" means the necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property:
- a. To avoid or minimize the "suspension" of business and to continue "operations":
 - 1) At an insured location; or
 - 2) At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations;
 - b. To minimize the suspension of business if you cannot continue "operations"; or
 - c. To:
 - 1) Repair or replace any property; or
 - 2) Research, replace or restore the lost information on damaged "valuable papers and records",

to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

With regard to c.1) above, we will pay only for those expenses necessary to expedite the repair or replacement of the property. Under this provision, we will not pay for any portion of the ordinary and expected cost to actually repair or replace property.

12. "Fine arts" means paintings, etchings, pictures, tapestries, rare art glass, art glass windows, valuable rugs, statuary, sculptures, "antiques", furniture, "antique" jewelry, bric-a-brac, porcelains and similar property of rarity, historical value or artistic merit.
13. "Hardware" means an assemblage of electronic machine components capable of accepting instructions and information according to the instructions, and producing desired results.
14. "In transit" means in the course of shipment from or to an insured location shown in the **Declarations**. It includes such shipments while temporarily stopped or delayed, incidental to the delivery but does not include general merchandise or other items to be delivered at some unspecified future time, or

when stopped overnight locally at your, or your driver's, convenience.

15. "Manager" or "managers" means a person or persons serving in a directorial capacity for a limited liability company (LLC).
16. "Money" means:
 - a. Currency, coins and bank notes and bullion in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
17. "Occurrence" means all loss or damage that is attributable directly or indirectly to:
 - a. One cause, act, event or series of similar, related causes, acts or events involving one or more persons; or
 - b. One cause, act or event, or a series of similar related causes, acts or events not involving any person.
18. "Operations" means your business activities occurring at an insured location.
19. "Period of restoration":
 - a. Means the period of time that:
 - 1) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at an insured location; and
 - 2) Ends on the earlier of:
 - a) The date when the property at an insured location should be repaired, rebuilt or replaced to a condition permitting occupancy with reasonable speed and similar quality; or
 - b) The date when business is resumed at a new permanent location.
 - b. Does not include any increased period required due to the enforcement of any ordinance or law that:
 - 1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - 2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way, respond to, or assess the effects of "pollutants".
20. "Prototype" means an original version of a newly designed product that is an outcome of your "research and development operations". A "prototype" includes sample designs,

experimental models or displays that are associated with or integral to the manufacture of the original version of a newly designed product.

21. "Research and development documentation" means written evidence of facts, information, processes, concepts or formulas that are directly related to the development of new products or enhancement of existing products. Written evidence includes written papers, plans, manuscripts, written or inscribed documents or plans.

"Research and development documentation" does not include "valuable papers and records", accounts receivable or "media", "software" or "data".
22. "Research and development operations" means your business activities that are directly related to the development of new products or the enhancement of existing products.
23. "Research and development period of restoration" means the period of time that:
 - (a) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss to property directly related to your "research and development operations" at a described premises that causes the suspension of your "research and development operations"; and
 - (b) Ends on the date when the property at the described premises which is directly related to your "research and development operations" should have been repaired, rebuilt or replaced to a condition permitting the resumption of your "research and development operations".

"Research and development period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
 - (c) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (d) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "Research and development period of restoration".

23. "Rental Value" means the:
 - a. Total anticipated rental income from tenant occupancy of the insured location

- (as furnished and equipped by you) described in the **Declarations**;
- b. Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and
 - c. Fair rental value of any portion of an insured location which is occupied by you.
24. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards which cards are not issued by you,
- but does not include "money", debit cards, or other general evidences of debt, including but not limited to phone calling cards and other similar items. Debt instruments whose value cannot be reasonably established after loss do not qualify as "securities."
25. "Software" means:
- a. Processing, recording or storage media used for electronic data processing operations. This includes films, tapes, cards, discs, drums, cartridges or cells; and
 - b. Data, information and instructions stored on processing, recording or storage media used for electronic data processing operations.
26. "Suspension" means:
- a. The slowdown or cessation of your business activities; or
 - b. That a part or all of an insured location is rendered untenable, if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
27. "Theft" means any act of stealing.
28. "Valuable papers and records" means inscribed, printed or written documents, manuscripts and records including abstracts, books, deeds, drawings, films, maps or mortgages. But "valuable papers and records" does not mean "money" or "securities", "research and development documentation", converted data or programs or instructions used in your data processing operations, including the materials on which the data is recorded.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DATA BREACH COVERAGE FORM

Various provisions in this Coverage Form restrict coverage. Read the entire Coverage Form carefully to determine rights, duties and what is and is not covered.

Throughout this coverage form the words "we", "us" and "our" refer to the Company providing this insurance. Other words and phrases that appear in quotation marks have special meaning. Refer to **Section F – Definitions**.

The terms and conditions of the Cancellation Clause of the Common Policy Conditions IL 00 17 are hereby incorporated herein and shall apply to coverage as is afforded by this Data Breach Coverage Form, unless specifically stated otherwise in an endorsement(s) attached hereto.

SCHEDULE

Data Breach Coverage Annual Aggregate Limit of Insurance	\$10,000
Additional Expense Coverages Annual Aggregate Limit of Insurance	\$10,000
Data Breach Coverage Deductible	\$1000
Premium	\$55.00

SECTION A - COVERAGES

We will provide Data Breach Services, Data Breach Expense Coverages and Additional Expense Coverages as described below if you have a "data breach" that:

- a. Is discovered during the coverage period of this Data Breach Coverage Form; and
- b. Is reported to us within 30 days of your discovery of the "data breach".

1. Data Breach Covered Services and Covered Expenses

a. Data Breach Services

(1) Consulting Services

Consulting Services to assist you regarding:

- (a) Notification requirements pursuant to state and federal laws and regulations;
- (b) Drafting your notification letters; and
- (c) Media interface and press release drafting.

(2) Help Line

A toll-free telephone line for "potentially-identified persons" with questions about the "data breach".

(3) Fraud Alert

A "potentially-identified person" who contacts our Designated Service Provider can place a Fraud Alert on his or her credit file(s) with the main credit bureaus warning potential credit grantors to check with the "potentially-identified person" before extending credit in his or her name or on his or her behalf.

(4) Identity Restoration Case Management

An "identified person" who contacts our Designated Service Provider can have the services of an identity restoration professional who will assist that "identified person" to correct his or her credit and other records and, within the constraints of what is possible and reasonable, to restore control over his or her personal identity.

These Data Breach Services will be provided by our Designated Service Provider as described in **Section E.2. Additional Conditions** for a period of 12 consecutive months from the inception of the Data Breach Services. These Data Breach Services are only available within the Coverage Territory

and will only be provided for data records created and housed in the United States with data on "potentially-identified persons" with a valid social security number.

b. Data Breach Expense Coverages

We will pay your reasonable and necessary expenses incurred for the following Covered Expenses up to the limits of insurance described in **Section C – Limits of Insurance**:

(1) Notification to Potentially-Identified Persons – expenses to provide notification of the "data breach" to "potentially-identified persons":

- (a) As required by a federal or state statute, regulation or directive or
- (b) As reasonably necessary to your business.

Covered expenses include but are not limited to the printing, postage and handling of notification letters to "potentially-identified persons".

(2) Forensic Analysis – expenses to assess:

- (a) The severity of the "data breach";
- (b) The nature and extent of the "data breach";

Forensic Analysis expenses do not include the cost of restoration.

(3) Proactive Monitoring Services Expense Coverage – Expenses for "proactive monitoring services" provided to "potentially-identified persons" through our Designated Service Provider.

(4) Services provided for Covered Expenses provided in b.(1), b.(2) and b.(3) above must be approved by us as described in Section E.2. Additional Conditions, Paragraph d., Service Providers.

Under **b.(3) Proactive Monitoring Services Expense Coverage**, we will only pay for expenses that you

incur through our Designated Service Provider.

c. Additional Expense Coverage

We will pay your reasonable and necessary expenses incurred for the following Additional Expense Coverages. These expenses are subject to the limits of insurance described in **Section C – Limits of Insurance**.

(1) Legal Services – Expenses incurred within the first six months following the discovery of a "data breach" for outside professional legal counsel review of the "data breach" and recommendations as to how you should best respond to it including final legal review of the proposed breach notification letter(s). However, we will not pay for expenses for legal counsel to review any third party liability litigation or notification of potential litigation.

(2) Public Relations – expenses incurred within the first six months following the discovery of a "data breach" for an outside public relations firm or a crisis management firm for restoring the confidence of your customers and investors in the security of your company and its systems.

(3) Third Party "Data Breach" – expenses for notification to "potentially-identified persons" with whom you have a direct relationship for a "data breach" when the "data breach" occurs at a third party where you have sent "private personal data" to be under that third party's care, custody and control. This includes a "data breach" that occurs while transmitting or transporting the data to that third party. Covered expenses for this Additional Covered Expense are limited to the printing, postage and handling of notification letters to "potentially-identified persons".

Service providers for Additional Expense Coverage provided in paragraphs c.(1), c.(2) and c.(3)

must be approved by us as described in **Section E.2. Additional Conditions**, Paragraph d., **Service Providers**.

- (4) Data Breach Ransom Coverage** – monies extorted from and paid by you because of a threat or connected series of threats to commit an intentional attack on your computer systems that if so committed, would result in a “data breach”. This Data Breach Ransom Coverage is subject to the following conditions:
- (a)** you must receive approval from us prior to the payment of any monies;
 - (b)** any monies paid must only be to terminate or end the threat;
 - (c)** the threat must be one which, if carried out, would have led to a “data breach” that would have been covered under this Coverage Form had the monies not been paid;
 - (d)** the threat must have been made during the coverage period of this Data Breach Coverage Form;
 - (e)** the applicable Federal, state and/or local law enforcement authority was notified of the threat prior to any payment you make for which you are seeking reimbursement under this Additional Expense Coverage;
 - (f)** the threat must not have been committed by any of your employees or former employees, vendors or independent contractors hired by you;
 - (g)** you must make every reasonable effort not to divulge the existence of this Data Breach Ransom Coverage; and
 - (h)** you agree to keep confidential any amounts paid under this Data Breach Ransom Coverage except for any disclosure we

approve in advance of that disclosure.

- (5) Data Breach Reward Coverage** – monies you pay for information leading to the arrest and conviction of any individual(s) who committed an illegal act(s) related to a “data breach” covered under this Coverage Form. Under this Data Breach Reward Coverage, we will not pay for information that was provided by you, your internal or external auditors, any vendor or independent contractor hired by you, any individual or firm hired by you to investigate the illegal act described above or information from any individual(s) with supervisory or management responsibility of any of the individual(s) described above.

2. Coverage Extension

The following Coverage Extension applies to Data Breach Services, Data Breach Expense Coverages and Additional Expense Coverages as provided in Paragraphs 1.a. through 1.c. above:

a. Portable Electronic Devices Out of the Coverage Territory

The coverages applying under Data Breach Services, Data Breach Expense Coverages and Additional Expense Coverages are extended to apply to a “data breach” from a portable electronic device, such as a laptop or personal digital assistant (PDA), while taken out of the Coverage Territory on a temporary basis. This Coverage Extension is limited to “private personal data” that is within your care, custody or control within the Coverage Territory but temporarily stored on that portable electronic device.

The portable electronic device must be owned or leased by you or your employees.

This Coverage Extension is subject to Exclusions, Limits and Insurance and Conditions that apply to Data Breach Services, Data Breach Expense Coverages and Additional Expense Coverages.

SECTION B – EXCLUSIONS

1. We will not cover the following regardless of cause:

a. Costs to Research or Correct Deficiencies

Any costs to research any deficiency, except as specifically provided under the Data Breach Expense Coverage **1.b.(2) Forensic Analysis**, or any costs to correct any deficiency.

This includes, but is not limited to, any deficiency in your systems, procedures or physical security that may have contributed to a "data breach".

b. Criminal Investigation or Proceedings

Any costs arising out of criminal investigations or proceedings.

c. Fines, Penalties or Assessments

Any "fines, penalties, fees or assessments". This includes but is not limited to fees or surcharges from financial institutions.

d. Defense or Legal Liability

Any fees, costs, settlements, judgments, or liability of any kind arising in the course of, or as a result of a claim for damages, lawsuit, administrative proceedings, or governmental investigation against or involving you.

e. Other Economic Costs

Any other costs or expenses not expressly provided for under Data Breach Services, Data Breach Expense Coverages and Additional Expense Coverages provided in Paragraphs **1.a.** through **1.c.** Costs or expenses that we do not cover include but are not limited to expense to reissue credit or debit cards.

f. Consequential Loss

Any costs, or any other loss, caused by or resulting from delay, loss of use, loss of existing or prospective markets or any other consequential loss.

g. Contractually Assumed Liability

Legal obligations arising by reason of assumption of liability in a contract or agreement.

h. Victim Expenses or Losses

Costs or losses incurred by a victim of "data breach" or fraud activity except as provided for under Data Breach Services, Data Breach Expense Coverages and Additional Expenses Coverages provided in Paragraphs **1.a.** through **1.c.**

i. Alternative Travel Arrangements or Fees

Payment of alternative travel arrangements or additional fees.

j. Psychological Counseling

Psychological counseling for victims of a "data breach" or fraud activity.

k. Legal Advice or Services

Legal advice or other legal services, except as provided by the Legal Services Additional Expense Coverage, Paragraph **1.c.(1)**.

l. Information Recapture

Any costs or losses for the recapture of lost, stolen or destroyed information.

2. We will not cover Data Breach Services, Data Breach Expense Coverages or Additional Expense Coverages as provided in Paragraphs **1.a.** through **1.c.** arising out of, caused by, or resulting from, or in consequence of the following:

a. Harmful Code

Any loss of data that results from "harmful code".

b. Dishonesty

Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of law by you, any of your partners, directors or trustees:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

c. Governmental Action

Seizure or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event that

contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

d. Intentional or Reckless Disregard

Your intentional or reckless disregard for the security of "private personal data" in your care, custody or control.

e. Intentional or Willful Complicity

Your intentional or willful complicity in a "data breach".

f. Prior Discovery

Any "data breach" discovered prior to the inception of this Data Breach Coverage Form.

g. Threats, Extortion or Blackmail

Any threat, extortion or blackmail including but not limited to, ransom payments and private security assistance except as provided in the Data Breach Ransom Coverage Additional Expense Coverage under Paragraph 1.(c)(4).

h. Indirectly Obtained Data

Any "data breach" of "private personal data" for which you do not have a direct relationship with the "potentially-identified person", such as records that you aggregate, sell, store, process, transmit or transport for another entity.

i. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

j. War and Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by

d. Intentional or Reckless Disregard

governmental authority in hindering or defending against any of these.

SECTION C – LIMITS OF INSURANCE

1. The most we will pay for the total of all Data Breach Expense Coverages and Additional Expense Coverages combined is the Data Breach Coverage Limit of Insurance shown in the Schedule. The Data Breach Coverage Limit of Insurance is an annual aggregate limit and is the most we will pay for the total of such covered expenses arising out of all "data breach" events discovered by you during the current annual policy period regardless of the number of "data breach" events.

2. The most we will pay for each of the Additional Expense Coverages is the sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Data Breach Coverage Limit of Insurance. The Additional Expense Coverages sublimit is an annual aggregate limit and is the most we will pay for the total of such covered expenses arising out of all "data breach" events by you during the current annual policy period regardless of the number of "data breach" events.

3. Regardless of the number of years this Data Breach Coverage Form remains in force or the number of premiums paid, no limits of insurance cumulate from policy period to policy period.

4. Discovery Policy Period Limits Apply

A "data breach" may be first discovered by you in one policy period but cause covered expenses in one or more subsequent policy periods. If so, all covered expenses arising from such "data breach" will be subject to the Data Breach Coverage Limit of Insurance and the Additional Expense Coverage sublimits described respectively in Paragraphs 1. and 2. above that are applicable to the policy period when the "data breach" was first discovered by you.

5. Time Limits

a. You must report a "data breach" to us on or within 30 days of your discovery of the "data breach".

b. You have up to one year from the date of reporting a "data breach" to initiate the services provided to you.

- c. A "potentially-identified person" has up to one year from the date he or she receives notification of a "data breach" to initiate the services provided to him or her.
- d. Once initiated the "potentially-identified person" services will continue to be provided to that person for one year.
- e. Data Breach Services under **Section A – Coverages**, Paragraph 1.a. will be provided by our Designated Service Provider for a period of 12 consecutive months from the inception of the Data Breach Services.

SECTION D – DEDUCTIBLE

The Data Breach Expense Coverages and Additional Expense Coverages provided under this Coverage Form are subject to the Data Breach Coverage Deductible indicated in the Schedule applying to this coverage form.

SECTION E – CONDITIONS

This Coverage Form is subject to the Common Policy Conditions of the Building and Personal Property Coverage Form CP 00 10, Commercial Property Conditions CP 00 90, and the following Amended Conditions and Additional Conditions:

1. Amended Conditions

- a. **Loss Condition 3. Duties in the Event of Loss Or Damage under Section E. Loss Conditions** of the Building and Personal Property Coverage Form CP 00 10 is replaced by the following:

4. Duties in the Event of a Data Breach

You must see that the following are done in the event of a "data breach":

- 1. Notify the police if a law may have been broken.
- 2. Give us prompt notice of the "data breach". As stated in **Section A – Coverages**, paragraph b., you must report the "data breach" to us within 30 days of the date you first discover it.
- 3. As soon as possible, give us, and/or our Designated Service Provider, a description of how, when and where the "data breach" occurred, including all

of the following information as it becomes known to you:

- (a) The method of "data breach";
- (b) the approximate data and time of the "data breach";
- (c) The approximate number of "potentially-identified persons" compromised as a result of the "data breach";
- (d) A detailed description of the type and nature of the information that was compromised;
- (e) Whether or not the information was encrypted, and, if so, the level of encryption;
- (f) Whether or not law enforcement has been notified;
- (g) If available, the states in which the "potentially-identified persons" are domiciled;
- (h) If available, who received the "private personal data" as a result of the "data breach"; and
 - (i) Any other access, information or documentation we reasonably require to investigate or adjust your claim.

- 4. Take all reasonable steps to protect "private personal data" remaining in your care, custody or control.
- 5. Preserve all evidence of the "data breach".
- 6. Permit us to inspect the property and records proving the "data breach".
- 7. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your

claim, including your books and records. In such event, your answers must be signed.

8. Send us a signed, sworn statement containing the information we request to investigate the claim. You must do this within 30 days after our request. We will supply you with the necessary forms.
 9. Cooperate with us in the investigation or settlement of the claim.
- b. Property Loss Condition **D. Legal Action Against Us** of the Commercial Property Conditions CP 00 90 Form is replaced by the following:

D. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

1. There has been full compliance with all of the terms of this insurance; and
2. The action is brought within two years after the date of the "data breach" is first discovered by you.

- c. Property General Condition **H. Policy Period, Coverage Territory** under Commercial Property Conditions CP 00 90 is replaced by the following:

H. Policy Period, Coverage Territory

1. Policy Period

This policy applies only to "data breaches" that are first discovered by you during the policy period shown in the Declarations.

2. Coverage Territory

The "data breach" must involve "private personal data" that was within your care, custody or control within the United States of America or Puerto Rico.

2. Additional Conditions

The following conditions are added:

a. Due Diligence

You agree to use due diligence to prevent and mitigate loss covered under this Coverage Form. This includes, but is not limited to, complying with reasonable and industry-accepted protocols for providing and maintaining the following:

1. Physical security for your premises, computer systems and hard copy files;
2. Computer and Internet security;
3. Periodic backups of computer data;
4. Protection, including but not limited to, encryption of data, for transactions such as processing credit card, debit card and check payments; and
5. Disposal of files containing "personal private data", including but not limited to shredding hard copy files and destroying physical media used to store "electronic data".

b. No Legal Advice Provided

We are not your legal advisor and do not provide legal counsel to you. None of the services we provide under this Data Breach Coverage Form constitute legal advice to you by us. Our determination of what is or is not covered under this Data Breach Coverage Form does not represent legal advice or counsel from us about what you should or should not do.

c. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to "potentially-identified persons". We assume no responsibility under this Data Breach Coverage Form for any services promised to "potentially-identified persons" without our prior agreement. You must provide the following at our pre-notification consultation with you:

1. The exact list of "potentially-identified persons" to be notified, including contact information.
2. Information about the "data breach" that may appropriately be communicated with "potentially-identified persons".

d. Service Providers

1. We will only provide Data Breach Services through our Designated Service Provider(s). Any such services that are provided by any other individual or entity will not be covered by this Coverage Form.
2. We will only pay Data Breach Expense Coverages and Additional Expense Coverages (except for Data Breach Ransom Coverage and Data Breach Reward Coverage) that are provided by service providers approved by us prior to the start of any of these services. If we suggest a service provider(s) but you prefer to use an alternative service provider(s), our coverage is subject to the following limitations:
 - (a) Such alternate service provider(s) must be approved by us; and
 - (b) Our payment for services provided by any alternative service provider(s) will not exceed the amount that we would have paid using the service provider we had suggested.
3. You will have a direct relationship with any service provider, including our Designated Service Provider, paid for in whole or in part under this Coverage Form. All service providers work for you.

e. Services

The following conditions apply as respects any services provided to you or to any "potentially-identified person" or "identified person" by our designees or any service firm paid for under this Data Breach Coverage Form:

1. The effectiveness of such services depends on your cooperation and assistance.
2. All services may not be available or applicable to all "potentially identified persons" or "identified persons". For example, "potentially identified persons" who are minors or foreign nationals may not have

credit records that can be provided or monitored.

3. We do not warrant or guarantee that the services paid for in whole or in part by this Coverage Form will end or eliminate all problems associated with a covered "data breach".

f. Cooperation

You agree to cooperate with and provide full disclosure of the circumstances surrounding a "data breach" to applicable federal or state regulators, law enforcement personnel, to us, and to our Designated Service Provider(s).

If you fail to cooperate, we will not be obliged under this contract for any services and expenses that cannot be provided due to your failure to cooperate.

- g. We are not liable for any act or omission by any Designated Service Provider who is not our employee nor the employee of a third party provider of the Data Breach Services described in this Data Breach Coverage Form. We cannot be held responsible for failure to provide, or for the delay in providing, services when such failure of delay is caused by conditions beyond our control.

h. Other Insurance

If there is other insurance covering the same "data breach" we will pay only for the amount for Data Breach Services, Data Breach Expense Coverages, and Additional Expense Coverages in excess of the amount due from that other insurance. But we will not pay more than the applicable Limit of Insurance shown in the Schedule.

SECTION F – DEFINITIONS

With respect to this Data Breach Coverage Form only, the following definitions are added:

1. Account Takeover

"Account takeover" means the takeover by a third party of one or more existing deposit accounts, credit card accounts, debit card accounts, ATM cards, or lines of credit in the name of an "identified person".

2. Data Breach

"Data breach" means the loss, theft, accidental release or accidental publication of "private personal data" entrusted to you as respects one or more "potentially-identified persons" if such loss, theft, accidental release or accidental publication has or could reasonably result in the fraudulent use of such information.

This definition of "data breach" is subject to the following provisions:

- a. "Data breach" includes disposal or abandonment of "private personal data" without appropriate safeguards such as shredding or destruction, subject to the following provisions:
 - (1) Your failure to use appropriate safeguards must be accidental and not intentional, reckless or deliberate and not in violation of your Due Diligence obligations under Paragraph 2. **Additional Conditions**, Paragraph a.; and
 - (2) Such disposal or abandonment must take place during the time period for which this Data Breach Coverage Form is effective.
- b. "Data breach" includes situations where there is a reasonable cause to suspect that such "private personal data" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.
- c. All incidents of "data breach" that are discovered at the same time or arise from the same cause or from a series of similar causes would be considered one "data breach". All theft of "private personal data" caused by any person or in which that person is involved, whether the result of a single act or series of related acts, is considered a single incident of "data breach".

3. Electronic Data

"Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of

computer software which are used with electronically controlled equipment. The term computer programs means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

4. Fines, Penalties or Assessments

"Fines, penalties or assessments" means any fines, assessments, surcharges, attorneys' fees, court costs or other penalties which you shall be required to pay as a result of a "data breach" or pursuant to any contract, law, regulation or order.

5. Harmful Code

"Harmful code" means any computer virus, program, routine, sub-routine, Trojan horse, worm, script or other code string that is or becomes named by any recognized anti-virus software program which destroys, alters or corrupts data or causes a "data breach", regardless of how the "harmful code" was introduced or enacted on the computer system (including "electronic data") or a network to which it is connected.

6. Identified Person

"Identified person" means a "potentially-identified person" who is or appears to be a victim of "identity theft" or "account takeover" that may reasonably have arisen from a covered "data breach".

7. Identity Theft

"Identity theft" means the fraudulent use of "private personal data". This includes the fraudulent use of such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

"Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

"Identity theft" does not include the use of a valid credit card, credit account or bank account. However, "identity theft" does include the fraudulent alteration of account profile information, such as the address to which statements are sent.

8. Potentially-Identified Person

"Potentially-identified person" means any person who is your current, former or prospective customer, employee, client, member, or patient and whose "private personal data" is lost, stolen, accidentally released or accidentally published by a "data breach" covered under this Coverage Form. This definition is subject to the following provisions:

- a. "Potentially-identified person" does not include any business or organization. Only an individual person may be a "potentially-identified person".
- b. A "potentially-identified person" must have a direct relationship with you. The following are examples of individuals who do not meet this requirement:
 - (1) If you aggregate or sell information about individuals as part of your business, "potentially-identified persons" do not include the individuals about whom you keep such information.
 - (2) If you store, process, transmit or transport records, "potentially-identified persons" do not include the individuals whose "private personal data" you are storing, processing, transmitting or transporting for another entity.

The above examples are not meant to be all inclusive but are provided as a way to identify those not meeting the requirements of this definition.

- c. A "potentially-identified person" may reside anywhere in the world. However, the coverage and services provided under this Coverage Form are only applicable and available within the Coverage Territory as defined in **SECTION E-CONDITIONS**, Paragraph 2. Amended Conditions, Paragraph c.

9. Private Personal Data

"Private personal data" means private identifying information that could be used to commit fraud or other illegal activity involving the credit or identity of a "potentially-identified person". This includes, but is not limited to Social Security numbers, driver's license numbers and account numbers correlated with names and addresses.

"Private personal data" does not mean or include information that is otherwise available to the public, such as names and addresses with no correlated Social Security numbers or account numbers.

10. Proactive Monitoring Services

"Proactive monitoring services" means the following services if you offer to provide them to "potentially-identified persons" who contact our Designated Service Provider:

- a. A credit report;
- b. credit monitoring; and or
- c. fraud/public records monitoring service or services.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASSOCIATES AND FAMILY MEMBERS ADDITIONAL COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

DATA BREACH COVERAGE FORM

The following Additional Coverage is added to **SECTION A – COVERAGES** of the Data Breach Coverage Form:

A. ASSOCIATES AND FAMILY MEMBERS ADDITIONAL COVERAGE

As described in Paragraphs 1. and 2. below, we will extend certain **Data Breach Covered Services** to your “associates” and to their “family members” following loss of their “private personal data” under the circumstances described below. This Additional Coverage does not apply to a “data breach” involving information owned or controlled by you.

1. An “associate” or “family member” whose “private personal data” is lost or stolen by circumstances such as the loss of a credit card, debit card, ATM card, checkbook, driver’s license, or passport; or the loss of a wallet, purse, or briefcase containing any of the foregoing, may contact our Designated Service Provider for the Fraud Alert service described in **Section A – Coverages**, paragraph 1.a.(3) of the Data Breach Coverage Form.
2. An “associate” or “family member” who, as a result of loss or theft of “private personal data” described in Paragraph 1. above, becomes a victim of “identity theft” or “account takeover”, may contact our Designated Service Provider for the Identity Restoration Case Management services described in **Section A – Coverages**, paragraph 1.a.(4) of the Data Breach Coverage Form.

We will provide these services for a period of one year following the date we are notified of the initial loss of “private personal data”.

B. DEFINITIONS

Under **Section F – Definitions**, Paragraph

1. **Account Takeover** is replaced with the following:

1. Account Takeover

“Account takeover”, as respects “associates” or “family members”, means the takeover by a third party of one or more existing deposit accounts, credit card accounts, debit card accounts, ATM cards, or lines of credit in the name of an “associate” or “family member”.

“Account takeover”, as respects “associates” or “family members”, includes the unauthorized takeover of one or more of the “associate’s” existing deposit accounts, credit card accounts, debit card accounts, ATM cards, or lines of credit by a “family member”.

Under **Section F – Definitions**, the following Definitions are added:

1. “Associate” means an employee of the business insured under this policy.
2. “Family Member” means:
 - a. an “associate’s” spouse, or Registered Domestic Partner, or the legal equivalent thereof; or
 - b. a relative under 23 years of age who is a dependent of the “associate”.

**IDENTITY THEFT RESOLUTION SERVICES
(POWERED BY IDENTITY THEFT 911)**

Are you or your resident family members at risk for identity theft? Do you need expert assistance with an identity-related concern? IDENTITY THEFT RESOLUTION SERVICES from Identity Theft 911 give you one-on-one assistance in the following situations:

Access Phone Number: 800-628-0250

If you or a resident family member suffer the loss or theft of private personal data, contact Identity Theft 911 for proactive guidance that can include Fraud Alert service. If you wish, a fraud specialist can assist and place a free fraud alert on your credit file to reduce the risk of fraudulent accounts opened in your name. This service also includes additional preventative measures and one-on-one assistance, depending on the risk.

If you or a resident family member suffer the loss or theft of private passenger data, contact Identity Theft 911 for Identity Restoration Case Management services. A fraud specialist will guide you through the process of restoring your identity and handle all of the work, including completed documentation and notification assistance. Victims also receive one year of credit monitoring, as well as free fraud monitoring of over 1,000 public databases.

Learn How to Protect Your Identity

We recommend that you regularly visit The Hanover Insurance Group and Identity Theft 911 comprehensive resource and knowledge library – www.hanover-identitytheft911.com – for the latest media alerts, identity theft tips, in-depth newsletters and much more.

Keep this access information handy in case you ever need help with an identity-related problem.

Access Phone Number: 800-628-0250

The Hanover Insurance Group makes no guarantee of results and assumes no liability in connection with either the information or assistance provided by Identity Theft 911. Any and all external Websites or sources referred to herein are for informational purposes only.